

Growing Opposition Raises Doubts on Validity of Chile Plebiscite

By John Enders

WASHINGTON, Sept. 4 (UPI) — Chile and its military dictator, Gen. Augusto Pinochet, reach a crossroads next Friday when the nation's 11 million people are scheduled to vote on a new, military-drafted constitution that would allow the government to remain in power until 1997.

Rising opposition to Gen. Pinochet and the coming plebiscite, however, have raised doubts about the validity of the vote and, increasingly, the legitimacy of the regime itself.

[Chile's Human Rights Commission said yesterday in Santiago that 69 persons have been arrested since Aug. 15 for passing out leaflets opposing Gen. Pinochet. Associated Press reported.]

[Commission president Jaime Castillo said all but two of those detained were freed after being held for a few hours up to five days. Mr. Castillo accused the government of violating the human rights of those arrested and of failing to live up to its promise to permit open discussion of the proposed constitution.]

Ten years have passed since Chileans last voted for their president, and the pro-

posed constitution and plebiscite have served more to rally opposition than to solidify support for military rule. Recent calls for abstention or a "no" vote on the ballot have come from leading opponents within Chile and some observers feel that the end of the current government may be approaching.

Sources at the Organization of American States here said they have been actively polling members to see if there is enough support for a resolution condemning the vote for lack of guarantees. No decision has been made. The OAS conceivably could call for postponement of the vote, although it is not clear whether key states within the organization, such as Mexico and newly democratic but still cautious Peru, would support such a move.

In a country that has not had free and fair elections since Gen. Pinochet overthrew Socialist President Salvador Allende in 1973, many fear that ballot boxes will be stuffed and the results falsified, bringing about what Christian Democratic leader Patricio Aylwin has called "the consolidation of the dictatorship."

An OAS diplomat concerned about the

vote said that it is "80 percent probable" that Gen. Pinochet will "win" the plebiscite. Yet, "there is a very small chance but still a chance that Pinochet will fall" as a result of increasing opposition to his one-man rule that has surfaced since the announcement of the plebiscite and the wave of rightist violence that preceded it.

Concern for Image

Chile is one of several countries in South America that wants to cultivate an international image of making an attempt to return to democratic rule, although few in the country believe Gen. Pinochet is democratically oriented or even seriously interested in widespread popular participation. His goal of "authoritarian democracy" was clarified when the text of the proposed constitution was released last month.

Since the 1973 coup, Chile's military has justified its intervention in the political process by pointing to the "excesses" of the pluralist democracy that existed under the 1925 constitution, and that had led to mass political participation by all groups in Chile.

Chilean political groups — such as the

centrist Christian Democrats of former President Eduardo Frei — that supported the violent military intervention ending Allende's "experiment in socialism" now fear they will never again participate or enjoy democratic liberties once taken for granted under the Chilean political system.

Under the proposed constitution to be voted on next week, Gen. Pinochet would be allowed to rule up to 16 more years, until 1997, and congressional elections would come in 1989 at the earliest. In the meantime, the military and its civilian supporters would continue economic and structural changes they began instituting in the mid-1970s, consolidating their hold on the nation.

Military Dissidents

Opposition to Gen. Pinochet's rule has been growing in Chile in recent months, and some political experts see his decision to call a plebiscite as a major tactical blunder in his effort to remain in power. Diplomats there believe that sectors within the military itself see the need to replace the 65-year-old general with someone

more "presentable" both inside Chile and to the international community.

A sign of the military opposition to the plebiscite came last week when retired Gen. Gustavo Leigh publicly stated his opposition to the plebiscite because the draft constitution represents the "institutionalization of a personalist, absolutist dictatorship."

Gen. Leigh was an original member of the four-man junta that seized power in 1973, but was removed by Gen. Pinochet when he began publicly challenging the dictator. His removal brought about the resignation of 18 of the air force's top 20 officers. Many top air force personnel, say well-connected officials in Santiago, remain loyal to Gen. Leigh.

The anti-government insurgency here has been more successful than in any of the country's other major cities. Eighteen months ago, about 40 Soviet advisers reportedly were killed here during the first major revolt against the Marxist regime. Since that time, few Russians have ventured into Herat.

Afghan City Is Dying Amid Constant War

By Tyler Marshall

HERAT, Afghanistan, Sept. 4 (LAT) — The rifle fire that flared briefly near the center of this war-torn city one morning this week lasted only a few minutes.

Although darkness made it impossible to determine the outcome of the clash, probably between Moslem guerrillas, known as mujaheddin, and an Afghan Army patrol, it provided one clear message: The start of another day in the battle for Herat, Afghanistan's third-largest city, had begun.

Unlike the situation in Afghanistan's two largest cities, Kabul and Kandahar, where rebel bands emerge mainly at night to harass and snipe at government targets, the war here is a 24-hour-a-day affair, waged between demoralized remnants of the Afghan Army and an assortment of well-armed rag-tag guerrilla groups that have managed to seize and hold key areas of this city in western Afghanistan, about 80 miles from Iran.

The warren of narrow streets and lanes that make up the 4-square-mile old walled city, for example, is completely in rebel hands. Guerrillas stop and search taxis, rickshaws and pedestrians entering or leaving the old city, often demanding identification.

Campaigns Fail

Repeated efforts by President Babrak Karmal's government forces to wrest the enclave from the rebels have failed. "There are more mujaheddin than army," one resident said.

Armored vehicles, unable to maneuver within the confines of the old city streets, have proved easy prey to rebel anti-tank weapons.

Elsewhere in Herat, the government appears to be slowly losing its grip. By day, it exercises only tenuous control in most areas. Small-arms fire and the sound of army tanks in action have become part of the city's background noise. Unless the fighting close, few persons even bother to take note.

Herat's police commandant said that he could guarantee no one's safety at any time, anywhere in the city. A lesser government official added: "Nowhere is secure. If you walk up a couple of blocks, you may be safe, then again, maybe not."

By night, Herat becomes a no-man's-land, with various areas under control of whoever can muster the most firepower. The few government armored patrols that venture into the city center after dark usually move at high speed. But the fighting is not always between the government and rebels. The lack of any real government control has made it an ideal environment for rival tribal groups to settle old blood feuds. Bitter infighting and vendettas within the ruling People's Democratic Party are as common here as throughout the country.

There is no curfew in Herat as there is in other Afghan cities because the government is incapable of enforcing one. But when dusk falls, the streets quickly empty. The only visible movements are

the swirls of dirt kicked up by the strong summer winds that sweep through the city.

After dark, brilliant red tracer bullets fired into the air from rebel weapons arch out of the old city, symbols of defiance. Government troops, stationed on the ramps in the ancient citadel that still looks down on the city from the hills where Alexander the Great built it 2,300 years ago, counter by sweeping searchlights across the town — more to frighten than actually spot guerrillas.

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Soviet troops man checkpoints at the entrance to Herat, but do not enter the city itself. Convoys coming south into western Afghanistan from the Soviet Union skirt the city to the east.

There is little question that the Russians have more than enough military power to crush the resistance. Some ascribe the Soviet inaction to reluctance to accept the high number of casualties such an operation would cost.

While it is impossible to determine just who and how many have died in the months of fighting, there is one certain casualty: Herat itself. It is a city whose life is slowly ebbing away.

Even at the height of the working day, many shops in the main bazaars around the famous Masjid-i-Jami Mosque remain closed. Other traders say the owners have abandoned their businesses and fled to either Iran or Pakistan.

Schools not destroyed in the fighting failed to reopen for the new term last month and this has added to the exodus.

"What kind of life is it if, when you go to work, you're not sure you'll be alive by nightfall?" a city trader said.

Italy Tugboat Crews Hold 24-Hour Strike

ROME, Sept. 4 (AP) — Tugboat crews protesting for a new contract went on a 24-hour strike today, paralyzing shipping at all Italian ports.

The work stoppage by 2,000 crew members prevented freighters, oil tankers and all other large vessels from entering or leaving all major ports. Unions representing the crews are seeking a new contract and pressing shipowners for a 12,000-lire (\$145) payment for all until a contract is signed. Shipowners have offered a series of smaller advances depending on size.

CIA Expects Decline in Late '80s

Rise Predicted in Soviet Military Budget

By George C. Wilson

WASHINGTON, Sept. 4 (UPI) — The CIA predicted yesterday that the Soviet Union will keep increasing its military budget 5 percent a year, the same percentage that Congress approved for the United States this year, but the agency added that Soviet military spending may slow down in the late 1980s because of declining overall economic growth.

"The current and projected decline in Soviet economic growth raises questions about the U.S.S.R.'s ability to continue increasing defense spending," Robert Hufstutler, director of CIA strategic research, told a House Intelligence subcommittee hearing.

While forecasting little slowdown before 1985, Mr. Hufstutler added, "In the longer term, growing economic difficulties may push the Soviet leaders to reexamine their plans with a view to reducing the growth of defense spending."

Two possible economies would be to reduce the production rates of some weapons and agree to arms control agreements providing direct savings, the CIA specialist said.

He cautioned, however, that "we think it highly unlikely" that the Soviet leaders will reduce military spending to the point that it reverses "longstanding policy of continuing to improve their military capabilities."

WORLD NEWS BRIEF

Anderson Campaign Eligible for U.S. Fun

WASHINGTON, Sept. 4 (UPI) — The Federal Elections Commission today gave Rep. John Anderson a major victory, ruling that his pending presidential campaign is eligible for millions of dollars in television government payments.

The commission ruled 5-to-1 that should Rep. Anderson, R-Ill., percent of the vote in November, he will be able to collect government cash.

Although the money will not be forthcoming until after the election is a critical victory for Rep. Anderson, who will be able to finance a campaign. "It's a big boost because we need cash and this is a way to raise money to begin a media campaign," said Anderson lawyer Swilinger.

South Korea Drops 1 Charge Against Kim

SEOUL, Sept. 4 (AP) — The prosecution at the court-martial of Dae Jung has dropped one seditious charge against the South Korean leader. A defense lawyer said that Mr. Kim could still die if convicted on remaining charges, but that the dropping of a charge could provide grounds for clemency.

The prosecution today told the four generals who make up the court that it was dismissing one of the charges against the former president candidate who, along with 23 followers, is also charged with being Communist. Mr. Kim, 56, who nearly defeated the late President Chung Hee in the 1971 elections, has admitted his opposition to the regime and to the military rule imposed after Mr. Park's assassination last October. He has denied seeking to overthrow the government force.

Sahara Guerrillas Strike Deep in Morocco

ALGIERS, Sept. 4 (Reuters) — Western Sahara guerrillas said they had made a major raid deep into southern Morocco and had heavy casualties on Moroccan troops. Morocco confirmed that it had taken place yesterday, but said the guerrillas had been pushed back with heavy losses.

The Polisario Front guerrillas said it was the deepest penetration into Morocco in their four-year war for independence of the Western Sahara. The Polisario communiqué said the guerrillas had occupied the town of Tata, 175 kilometers (110 miles) southeast of Agadir. A Moroccan government statement issued in Rabat said Moroccan troops repulsed a column of more than 400 vehicles, destroying 70 of them, killing or wounding 300 attackers. Moroccan forces suffered nine and 27 wounded, the statement said.

Thousands of Coal Mine Back at Work in Poland

(Continued from Page 1)

set or how the panel would go about determining them. The biggest unanswered question appeared to be whether the government would revive the subsidies that had kept the price of meat down and that it had canceled on July 1 in an attempt to improve its grave financial position.

The increase in meat prices that followed touched off strikes that led to the Communist government's worst crisis in 10 years and forced the Communist Party to promise social and political reforms never before conceded in a Soviet bloc country. These included the right to organize free, independent trade unions, the right to strike and a relaxation of censorship.

The Sejm will meet tomorrow, and PAF said Mr. Pinkowski will offer a program "for a fundamental restructuring of the government's work, with an eye to lead Poland out of the present difficult situation, remove the sources of social discontent [and] bring the economy and public life back to normal."

In another measure aimed at controlling Poland's economic difficulties and consequent worker unrest, the government has been assembling a package of financial aid from the socialist countries of Eastern Europe, especially the Soviet Union.

"The U.S.S.R. was, and is, and will be Poland's No. 1 partner in foreign trade and international economic relations," First Deputy Premier Mieczyslaw Jagielski said last night. "These are obvious truths. Nobody, with the exception of a handful of opponents of Socialism, undermines or questions them."

Mr. Jagielski said that Poland faces "very difficult problems" in obtaining raw materials for industry and "the Soviet Union has given us an additional financial credit for purchases of raw materials in the West."

He said the loan would be used to buy materials for the chemical and steel industries as well as food supplies. He did not specify the amount of the credit, but said the Soviet Union and the food supplies from East bloc countries were tantamount to tacit approval of forms won by the strikers.

But in Moscow, Tass today said what appeared to be a warning to Poland to resist offers of aid by making reference to Polish debts. West. Quoting a report by New York Times, Tass said Poland's debt with the West grown tenfold since 1971 and that last year Poland more than \$7 billion in earnings on servicing and repaying debts.

Soviet references to the debts of allied countries is extremely rare, and although the article offered no direct criticism of Poland's economic policies, it appeared to imply that nations of further loans would be approved by Moscow.

Meanwhile, the Polish newspaper *Ziemia Wlochy* today said that soldiers could remain indifferent to those sought to weaken the unity of the nation. "The morale and poise of the community is the basic source of strength of the military," the paper said. "If, after, whoever weakens that attacks the defensive part of the country and soldiers cannot remain indifferent."

Schmidt Promises Aid

BONN, Sept. 4 (UPI) — German Chancellor Helmut Schmidt promised more aid to Poland today, saying the "deep inner satisfaction" of peaceful labor settlements, said today. West. Gen. last month granted a \$642-million credit to Poland.

President Carter appealed France, West Germany and Spain last week to join the U.S. in helping Poland. Schmidt agreed, and Bonn is discussing new credit policies, a government spokesman said.

Diver Drowns in Can
PICKTON, Ontario, Sept. 4 — A diver from undersea explorer Jacques Cousteau's ship *Calypso* drowned in Lake Ontario today during a filming expedition, police reported. His name was released.

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Arab World Hails Libya-Syria Union

From Agency Dispatches

TRIPOLI, Libya, Sept. 4 — Most of the Arab world hailed the projected merger of Syria and Libya today, but Egyptian President Anwar Sadat described it as "funny and childish." The U.S. State Department expressed skepticism that the plan would ever be fulfilled.

Kuwait, Bahrain, Southern Yemen and Arab League Secretary-General Chadi Kleibi went on record as supporting the unity plan, which also was hailed by most Arab media. Official sources said other Arab governments in the oil-rich Gulf and North Africa were preparing statements of support.

Col. Moamer Qadhafi, Libya's leader, announced the plan Monday as a way to strengthen hard-line Arab pressure against Israel.

Mr. Sadat made his comment on the union in Alexandria minutes before the announcement was made yesterday that Egypt and Israel had agreed to resume the stalled Palestinian autonomy talks that led to Mr. Sadat's isolation in much of the Arab world.

Palestine Liberation Organization leader Yasser Arafat cabled both Col. Qadhafi and Syrian President Hafez Al-Assad expressing his "full support to the great merger."

Kuwait Support
Kuwaiti Foreign Minister Sheikh Sabah al-Ahmed also expressed his country's support for the merger. "Kuwait welcomes every step that could lead to strengthening Arab unity and solidarity."

In Washington, Harold Saunders, assistant secretary of state, said a House subcommittee yesterday that "the new merger we have seen indicates that it [the merger] is far from reality. In fact, it may never materialize."

Asked what he thought about the merger should it happen, Mr. Saunders said, "I don't see what useful purpose it would serve for them [Libya and Syria] to do it."

A United Arab Emirates newspaper hailed the unification call as "a move to undermine [the U.S.-sponsored] Camp David accords" between Egypt and Israel. Another U.A.E. newspaper, *Al Fajr*, said Col. Qadhafi's move was "revolutionary and daring." However, *Al Fajr* warned of "possible plots by the enemies."

No Pledges
Mr. Kimche stressed, however, that no pledges had been conveyed to President Carter's envoy, Sol Linowitz, during his talks here earlier this week, or to President Anwar Sadat of Egypt, who reversed himself yesterday after seeing Mr. Linowitz and agreed to resume negotiations with Israel on granting self-administration to Palestinians.

"We on our side, I think, completely convinced him that we were very, very keen to get these talks moving, without necessarily having any preconditions," Mr. Kimche said. "I think we completely convinced him, and he convinced President Sadat, of our sincerity in believing the importance of the continuing Camp David process, and this, I think, brought the about-face of President Sadat."

[In Tel Aviv, Mr. Begin's office said the prime minister had accepted Mr. Carter's invitation to meet with him at the White House Nov. 11 during an unofficial visit. Mr. Begin will make to the United States, United Press International reported. There was no indication of the exact date of the summit although Nov. 11 would be a week after the U.S. presidential election.]

Western Creditors Impressed
ACCRA, Ghana, Sept. 4 (NYT) — Twelve months after it took over from a mercurial military regime, the civilian government of President Hilla Limann has quietly moved to stabilize the chaotic political situation in Ghana.

"There now are signs that even the Ghanaian economy, once pronounced virtually hopeless by its Western creditors, is on its way to recovery."

"The fact that we have survived all this is an achievement," Mr. Limann, a 46-year-old former diplomat, said in an interview. "To many people it may seem a miracle."

By imposing severe austerity measures in the last six months, the Limann administration has conserved enough foreign exchange to pay its short-term debts through the first quarter of 1979.

For a nation whose debts had been unpaid for five years, this was no mean achievement. It has led to the re-establishment of commercial credit abroad and an apparent willingness on the part of Western donors to provide much-needed aid that they had withheld.

Land of Coups
There have been four military coups in this West African country in the last four years, but now an American-style democratic system seems to be settling into place. Mr. Limann has retired or removed from authority potential sources of trouble in the military, although sometimes his actions have drawn sharp criticism. Despite the precautions, there have been three coup attempts this year.

"People are fed up even with rumors of military coups," said Elizabeth Ohene, the literary editor of the state-owned *Daily Graphic* newspaper. "However harsh our lives continue to be, there is a willingness on the part of people to let the civilian government prove itself."

The government has been doing this in a variety of ways. A 140-member parliament debates issues freely. Civil liberties, suspended during seven years of military rule, appear to be fully restored and, according to Western and Third World diplomats, there are no political prisoners in Ghanaian jails. Even the state-owned newspapers sometimes criticize the Limann administration.

"The political atmosphere now seems much more relaxed and encouraging than a few months ago," one Western diplomat said. Only in April this same diplomat had expressed deep pessimism.

"This is a government of survivors despite the fact that practically no one in it had any substantial political experience," a Third



A LAST LOOK — Peking's one remaining forum for wall posters is virtually deserted these days, while the parliament is preparing to abolish the right to put up posters. Here, a father and son visit the wall in a remote city park.

Civilian Rule Lifts Ghana To Threshold of Stability

By Pranay B. Gupta

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Jordan Quits Hospital

NEW YORK, Sept. 4 (AP) — Vernon Jordan, 45, president of the National Urban League, left New York Hospital-Cornell Medical Center today, more than three months after he was shot in a Fort Wayne, Ind., parking lot.

Mr. Hoffman, the former Yippie leader who hid from the law for more than six years after jumping bail on a cocaine charge, surrendered today at the office of the special state narcotics prosecutor.

Mr. Hoffman, 43, was accompanied by his wife, Johanna. He had been living for several years under the name Barry Freed as a freelance writer and ecology activist in the New York community of Fineview on Wellesley Island in the St. Lawrence River.

Mr. Hoffman was a founder of the Youth International Party, or Yippies, a 1960s counterculture group. He was one of the Chicago Seven, a group of activists tried in 1970 on conspiracy and riot charges stemming from the violence at the 1968 Democratic National Convention. Mr. Hoffman

and four others were convicted of crossing state lines with intent to cause a riot, but the charges eventually were dismissed.

He went underground in 1974 after skipping \$50,000 bail on a charge of trying to sell cocaine to an undercover officer.

Mr. Hoffman adopted environmental causes and helped form the Save the River Committee. His testimony at a U.S. Senate subcommittee hearing about the St. Lawrence River won him a letter of commendation from Gov. Hugh Carey. He also reportedly won an appointment to a U.S. commission on water resources.

Sen. Daniel Moynihan, D-N.Y., who chaired the hearing about the river, was asked if he had realized that Mr. Freed was Mr. Hoffman. "Well, I'll be damned! Hell no!"

Abbie Hoffman, Yippie Ex-Leader, Surrenders After 6 Years as Fugitive

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Civiletti Delay Seen Billy Carter Probe

WASHINGTON, Sept. 4 (NYT) — Attorney General Benjamin Civiletti may have instructed Justice Department investigators to delay in giving the attorney general's report to President Carter, according to a staff document.

The document indicates that the special Senate subcommittee investigating Billy Carter is conflicting testimony on the issue in private interrogations of Mr. Civiletti and Joel Kelley, the Senate's deputy counsel, for the Republican side of the special subcommittee.

It was made available yesterday to the New York Times by a Justice Department official, according to the Kelley memo. Mr. Civiletti testified that he reported to Mr. Civiletti that Billy Carter had acknowledged receiving money from the attorney general's office. Mr. Civiletti reportedly testified that he did not recall issuing such a statement.

Any event, it is known that six days after the Civiletti-Kelley dispute, Mr. Civiletti met with President Carter and encouraged him to urge his brother to register as a foreign agent.

The subcommittee staff interviewed the two Justice Department officials in preparation for their public testimony before the panel this week.

According to the staff document, Mr. Civiletti testified that on June 11 he confronted Billy Carter with evidence that he had received \$220,000 from the Libyans and that Mr. Carter acknowledged that such was the case. They met in the investigation of whether Mr. Carter should be prosecuted for having failed to register as an agent of the Libyan government.

Agent's Presence

Later in the day, Mr. Civiletti reportedly testified, he informed Mr. Civiletti and other top Justice Department officials of the new development. Mr. Civiletti said that Mr. Civiletti told him to "wait 10 days" before taking further action.

According to the Kelley document, the Lisker testimony is corroborated by a memorandum dated June 13 to William Webster, director of the Federal Bureau of Investigation, stating that "the attorney general has decided to wait for approximately 10 days prior to deciding what future action the Department of Justice should take regarding Carter's registering."

The Kelley document did not make clear who wrote the FBI memorandum, but presumably it came from an agent who attended the Lisker-Civiletti meeting.

On the other hand, Charles Renshaw, the deputy attorney general, attended the meeting and has no recollection of Mr. Civiletti's having made such a remark, according to the report of his testimony.

Mr. Civiletti originally denied having discussed the Billy Carter case with the president. Later, after the White House turned up a notation of such a conversation.

With Training Bill Passed by U.S. House

WASHINGTON, Sept. 4 (AP) — The House voted yesterday to pass a \$2.7 billion bill to increase the number of nurses and other health care workers.

The legislation would alleviate the national shortage of nurses, estimated to be at 100,000.

U.S. Nuclear Plant Study Shows Lapses in Security

By Mike Robinson
WASHINGTON, Sept. 4 (AP) — A study of a nuclear power plant in Northern Illinois showed a fence and entered a security area without being detected by the security system, says a long-suppressed report prepared by the Nuclear Regulatory Commission.

The report, completed in 1977, kept secret, adds that the system failed repeatedly at times.

At the plant, guards acknowledged, they allowed visitors to enter the security area without being properly screened. It says security around the fence and around television monitors not work for months at a time.

At "vital areas" of the plant, operated by Commonwealth Edison, were routinely left unattended, and even when locked, they were readily opened with a knife, the report says.

Acquittal for All
The report has been kept under wraps by the commission and the Department pending a conviction of Commonwealth Edison, one of its executives and a former employee. At the four-day trial in Rock Island, Ill., all the defendants were acquitted of charges that they allowed doors to remain unlocked and that guards to conceal that from the commission.

The NRC plans to release this "synopsis" of the report, which paints a picture of security that goes far beyond undetected doors. The Associated Press had an unabridged copy of the report.

The trial, Commonwealth Edison acknowledged that the doors had been unlocked at times, for convenience and to circulate for the comfort of employees.

An unabridged report says, however, that on Feb. 5, 1977, contrary to regulations, "the release of the doors to the gatehouse was under the control of a watchman." It quotes the officer's log as saying the gate was left open as it is broke and open by itself.

The report says Commonwealth Edison was fined \$5,000 in a civil suit by the NRC in 1975 for failure to control access to the gate.

Interviews on May 5, 1977, an investigation addendum to the report, two maintenance men of climbing a fence and getting into the security area without

setting off alarms. They said they had gone outside a locked security area to repair a monitoring system and arranged to be readmitted by giving hand signals to a closed-circuit television camera.

The guard monitoring the television screen was supposed to watch for the signals and let the men in. Instead, the camera never turned toward them.

"They then decided to climb the fence and were able to enter the area undetected," the report says.

Leaky Containers

SAN FRANCISCO, Sept. 4 (AP) — Containers used to dump nuclear waste in the Pacific in 1961 were too weak to withstand ocean pressures, and many began leaking before they reached the bottom, according to a study that was buried in government files for nearly 20 years.

The report, discovered in Department of Energy files by Jackson Davis, a professor of environmental studies at the University of California-Santa Cruz, describes tests conducted for the Atomic Energy Commission, predecessor of the Nuclear Regulatory Commission.



President Carter taking a shot while trying the Italian game of bocce on Wednesday while campaigning in Philadelphia.

Reagan Stance Smashes Low-Key Image of U.S. Mission on Taiwan

By Keyes Beech
TAIPEI, Sept. 4 (LAT) — The squat U-shaped building that resembles a barracks off Hsin Yi Road in bustling Taipei tries hard not to look like an embassy.

Encircled by apartment houses and office buildings, it flies no flag, has no ambassador and no Marine guard.

All that identifies it is a small brass plaque at the compound gate that says, "American Institute in Taiwan," which not long ago would have sounded suspiciously like a CIA cover. In fact, the building was once the base for CIA operations here. The compound also housed a U.S. military advisory group.

The Americans who work at the institute, which is an embassy in virtually everything but name, are either "retired" or "on leave" from the State Department. Their cars carry Taiwan instead of diplomatic license plates. And, unlike diplomats, they have to pay tolls on the freeways.

Whether they have diplomatic immunity is open to question pending an agreement with the Chinese Nationalists, who claim to be the sole government of all China more than 30 years after they

Reagan Stance Smashes Low-Key Image of U.S. Mission on Taiwan

Even if Mr. Reagan wins, no knowledgeable Chinese here expects him to try to re-establish diplomatic ties with the Nationalist government.

What the Nationalists would expect is more favorable treatment, including "more official" in their day-to-day dealings with the United States. One of the Nationalists' grievances is that officials at the institute are forbidden to make office calls. The result is that diplomatic business must be conducted over lunch, dinner or drinks.

Steering a course between Peking and Taipei, Mr. Cross continues, "requires more, not less, diplomacy. On the one hand, we must be careful not to damage the Nationalist government's confidence in itself. And on the other we must not endanger our relationship with Peking."

Critics of Carter administration policy complain that it has gone so far to please the Communists that it has needlessly humiliated the Nationalists.

Earlier this year, an incident occurred that reflected what many see as the absurdity of the U.S.-Taiwan relationship. A high-level congressional delegation visited Taiwan in a U.S. Air Force plane, but none of the military personnel

Reagan Charges Carter Has Broken Faith With Israel

By Douglas E. Kneeland

WASHINGTON, Sept. 4 (NYT) — Ronald Reagan, addressing a major American Jewish audience here, accused President Carter last night of having broken faith with Israel.

In a speech prepared for delivery to the B'nai B'rith convention at the Sheraton Washington Hotel, the Republican presidential candidate seized upon the gathering's theme, "A Covenant With Tomorrow," to charge that his incumbent Democratic opponent had violated a "covenant with the past" in his attitude toward Israel.

"There is no covenant with the future which is not firmly rooted in our covenant with the past," Mr. Reagan declared. "Since the rebirth of the state of Israel, there has been an ironclad bond between that democracy and this one."

Mr. Reagan called that bond a "moral imperative," but said that it was also motivated by self-interest.

"Israel is a major strategic asset to America," he asserted. "Israel is not a client, but a very reliable friend, which is not something that can always be said of the United States today under the Carter administration."

He insisted that no administration, "until that is, the Carter administration," has ever "deluded itself that Israel was not of permanent strategic importance to America."

"Can we now have faith that we will honor a covenant with tomorrow?" he asked.

In support of his charges against Mr. Carter, who will address the convention later, as will Rep. John Anderson, R-Ill., the independent candidate for president, Mr. Reagan recalled that Mr. Carter complained as a candidate in 1976 that "our country as well as the Soviet Union, Britain and France have poured arms into certain

Arab countries — five or six times more than Israel received."

"But it was Mr. Carter who agreed to sell 60 F-15 fighters to Saudi Arabia," Mr. Reagan said. "To get the Congress to go along, he assured these aircraft would not have certain offensive capabilities. Now, the secretary of defense tells us he cannot say whether this commitment to Congress will be honored."

"It was Mr. Carter who agreed to sell 100 main battle tanks to Jordan. It was Mr. Carter who agreed to provide U.S.-licensed turbine engines for Iraqi warships."

Mr. Reagan, who like Rep. Anderson hopes to pry some traditionally Democratic votes away from Mr. Carter as a result of some expressed unhappiness in the Jewish community over the administration's policies toward Israel, maintained that Israel was "being increasingly isolated by international terrorism and by UN resolu-

tions designed to undermine Israel's position in the world while Carter stands by and watches."

He said he was "appalled to see the Carter administration abstain from voting on, rather than veto, the resolution passed by the United Nations Security Council two weeks ago," which condemned the formalization by Israel of its annexation of East Jerusalem.

Mr. Reagan also chided the administration for having voted in March in favor of a Security Council resolution that condemned Israel's occupation of East Jerusalem, a vote that Mr. Carter declared two days later had been cast erroneously.

"Because of the weak and confused leadership of Jimmy Carter," Mr. Reagan said, "we are approaching a flashpoint" in the Middle East "with Soviet power now deployed in a manner which directly threatens Iran, the Persian Gulf and Arabian Sea; with Soviet forces and proxy forces building up again in the region; with Soviet fleets and air bases emplaced along the sea lanes along which we and our allies and the entire free world depend."

Mr. Reagan charged that "basic ambiguities" in the Camp David agreements, "both in the links between the Israeli-Egyptian peace and in the provisions for an autonomous regime in the West Bank and the Gaza Strip" have brought negotiations to "a dangerous impasse."

Earlier yesterday, Mr. Reagan met at his temporary home in Middleburg, Va., with several members of a newly designated economic policy coordinating committee. George Shultz, former secretary of the treasury, who is chairman of the group, said that they had discussed economic strategy and plans for Mr. Reagan's long-promised economics speech.

Carter Aide Charges Reagan Falsified U.S. Regulation of Automobile Industry

By Morton Mintz

WASHINGTON, Sept. 4 — The Carter administration moved swiftly yesterday to impale Ronald Reagan on a purported misstatement about federal regulation of the auto industry.

He is "filling the air with misstatements, half-truths, or twin positions," Secretary of Transportation Neil Goldschmidt told reporters at a news conference. "Or to say it another way, his mouth was in gear — but his brain was still in idle."

Mr. Goldschmidt's harsh attack — cleared at the White House — was triggered by Mr. Reagan's pledge Tuesday that as president he would try to get rid of "several thousand of what I think are unnecessary regulations" on U.S. automakers and would act to halt the "deluge" of imported Japanese cars.

2d U.S. Official Placed on Trial In Abscam Case

WASHINGTON, Sept. 4 (NYT) — Jury selection began yesterday for the U.S. District Court trial of Rep. John Jenrette, Jr., D-S.C., who was charged with bribery and conspiracy after the clandestine federal investigation known as Abscam.

The case against Mr. Jenrette and a co-defendant, John Stowe of Miami, Fla., is the second Abscam prosecution to come to trial. In the first trial, which ended Aug. 30 in New York, Rep. Michael Myers, D-Pa., and three other men were convicted of bribery, conspiracy and interstate travel to aid racketeering.

Mr. Jenrette's attorney, Kenneth Michael Robinson, said in court yesterday that he will introduce evidence of his client's alcoholism to demonstrate that he lacked the "specific intent" to commit a crime.

The three-count indictment charges that Mr. Stowe, acting for himself and for Mr. Jenrette, received \$50,000 in cash last Dec. 6 in return for the congressman's promise to introduce a bill permitting a wealthy Middle Eastern businessman to immigrate.

He added: "As usual, Gov. Reagan misses the main point, one which the auto industry itself acknowledged in its first meeting with the president. If we get rid of every single regulation that affects the auto industry... it would not make the auto industry well."

AFL-CIO Endorsement

WASHINGTON, Sept. 4 (UPI) — The AFL-CIO formally endorsed President Carter for re-election today.

Leaders of the labor federation's 104 affiliated unions voted without dissent to support the president. The AFL-CIO claims a membership of 13.6 million.

Its president, Lane Kirkland, told union leaders that supporters of Republican candidate Ronald Reagan are "among the most bitterly anti-labor forces in America."

"Ronald Reagan is no friend of working people," Mr. Kirkland said. "His past record proves that fact."

Mr. Carter was endorsed yesterday by three powerful unions that did not support him in the primaries. They are the American Federation of State, County and Municipal Employees, the United Transportation Union, and the Service Employees International Union.

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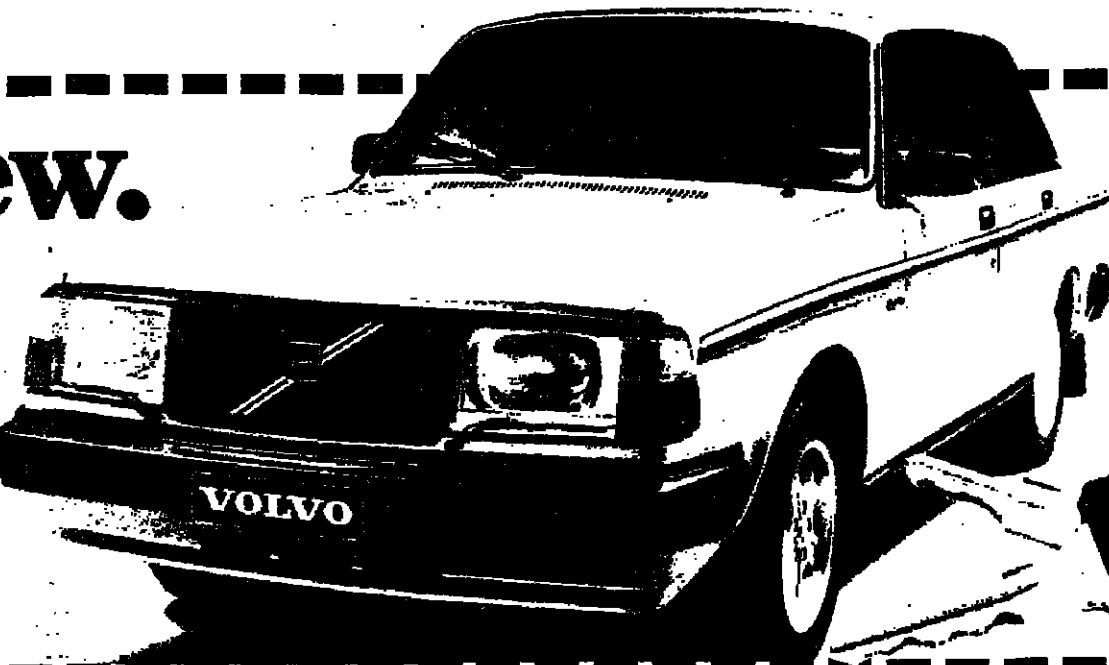
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Pakistan Reportedly Forced to Ground 3 Squadrons of Aging, U.S.-Made Jets

By Stuart Auerbach

ISLAMABAD, Pakistan, Sept. 4 (UPI) — Pakistan has been forced to ground three squadrons of its meager fleet of jet fighters because the Korean War-vintage planes have become too old and too unsafe to fly, according to reliable sources.

The planes are the U.S.-made F-86 Sabrejets, once the workhorses of the Pakistani Air Force and considered in their day one of the great combat aircraft. Now, however, they are virtual antiquities. According to sources here, they have taken their toll; they have become worthless in combat and they will be scrapped.

Metal fatigue has attacked the wings of the planes to such an extent that some have cracked under pressure of putting on the brakes, one source said.

The grounding of the three squadrons, totaling about 40 jets, comes as Pakistan is casting about for funds to revitalize its outdated military machine to meet what it sees as a threat from about 80,000 Soviet troops just across the border in Afghanistan.

Reported Saudi Deal

Pakistan is said to be seeking funds from some of the Gulf states, especially Saudi Arabia, to rebuild its armed forces. It has been reported that the Saudis are considering giving Pakistan \$750 million in return for the stationing of a large number of Pakistani troops in the desert kingdom to guard the royal family and Islamic holy places.

Pakistani defense officials would not comment on either the grounding of the F-86s, which is common

Poisonous Snake Hunt

OTSU, Japan, Sept. 4 (Reuters) — Police and firemen combed dry river beds and bushes today for poisonous snakes dumped by smugglers who used them to hide a consignment of pistols brought in from Thailand, police said.

knowledge in the foreign diplomatic community here, or the reported deal with Saudi Arabia. President Mohammad Zia ul-Haq has made two trips recently to Saudi Arabia. The Pakistani Air Force has a total of 256 combat aircraft, of which all but 11 are jet fighters. The three squadrons of F-86s are kept at a former U.S. Air Force base in Peshawar, near the Afghan frontier.

Besides the Sabrejets, the Pakistanis have about 140 Chinese-made MiG-19s, which are equipped with air-to-air missiles and are used as interceptors, and about 65 French Mirages. Some of the latter are interceptors but others are either reconnaissance planes or fighter-bombers.

In addition, the Pakistanis have purchased 32 more Mirage-6s from France for \$350 million and should be getting them shortly.

Anti-Zia Leaders Meet in Pakistan

ISLAMABAD, Pakistan, Sept. 4 (UPI) — Leaders of the opposition have held a meeting in Karachi in defiance of a government ban on political activities and concluded that the military government of Gen. Mohammed Zia ul-Haq must be ousted, a participant said yesterday.

The political leaders met Tuesday at the invitation of the wife of detained Air Marshal Asghar Khan, head of the defunct Tehrik-e-Istislahi party, sources said.

Acting secretary-general of the party, Nafis Ahmed Siddiqi, said the meeting was not intended to set up an electoral alliance but was aimed at "a joint struggle for the restoration of parliamentary democracy and rule of law and implementation of the 1973 constitution, which guaranteed fundamental rights." He said participants agreed that "the country is passing through the worst phase in its history."

In 1976, Pakistan wanted to buy from the United States 110 A-7 light bombers to protect its borders with India, but the Carter administration refused to approve the sale on the grounds that it would increase the arms race in southern Asia.

India, however, has just concluded a \$1.6-billion arms deal with the Soviet Union. New Delhi has acquired a significant number of new, more sophisticated weapons during the past four years.

For the past two years the United States has been trying to persuade Pakistan's generals to buy the F-35E as a replacement for the F-86 because it does well as an interceptor against the Soviet-made MiG-21s that both the Afghan and Indian air forces are equipped with and because it can be used in support of ground troops.

Pakistan would prefer to skip generations of combat aircraft and go to F-15s and F-16s. Those planes are out of the question for Pakistan, however, according to sources, because there are still not enough of them for U.S. and North Atlantic Treaty Organization needs. They would not be available for countries like Pakistan until the late 1980s.

Moreover, they cost between \$20 million and \$30 million each — far too much for a country with the economic problems that Pakistan has.

Arms Seized in Raid On Marxist in India

NEW DELHI, Sept. 4 (AP) — Police raided the house of a Marxist leader in the coal-mining region of Bihar State yesterday and seized a large quantity of foreign-made firearms and ammunition, the United News of India reported.

The raid was conducted after reports that a Marxist group led by D.K. Bose had unleashed "organized terror" in the coal-field areas of Dhanbad district, 250 kilometers northwest of Calcutta, the agency said. It did not say where the arms came from.

Kandinsky's Widow Murdered



Nina Kandinsky

GSTAAD, Switzerland, Sept. 4 (AP) — Nina Kandinsky, 84-year-old widow of renowned abstract painter Wassily Kandinsky, was murdered in her chateau here and robbery was the apparent motive, Gstaad authorities said today.

"We do not know whether and what jewels or other valuables are missing but our suspicions go into that direction," Johannes Friedli, the examining magistrate, said. He said an autopsy confirmed initial reports that Mrs. Kandinsky had been strangled. Her body was found in the bathroom of her fashionable "Chalet, Emerald" Tuesday evening by a group of dinner guests.

The magistrate said none of the paintings by Mrs. Kandinsky's husband, who died in 1944, was missing from the chateau. Kandinsky was a French citizen. She married her Moscow-born husband in 1917. Gstaad police said it was the first murder in this exclusive ski resort community since 1910.

College Students Say Scientist Cloned Illegal Virus During DNA Research

LA JOLLA, Calif., Sept. 4 (AP) — University investigators here say student assistants suspected that Dr. Ian Kennedy was intentionally using an illegal virus in recombinant DNA research and warned University of California-San Diego officials of this last May.

However, in its report to the National Institutes of Health, made public yesterday, the university stopped short of alleging that Dr. Kennedy intentionally cloned the banned virus. Dr. Kennedy again denied the students' allegations and said he will challenge the report's findings.

The scientist contends two batches of viruses appeared to have been mixed up in what might have been sabotage. Dr. Kennedy's experiments early this year with the Semliki Forest virus, a virulent strain prohibited under federal guidelines, rekindled a long-running controversy over genetic engineering research.

Recombinant DNA research involves altering a cell's genetic material to change some characteristic of that cell. Among other experiments, scientists have been able to give bacteria genetic instructions to make insulin. Cloning then produces offspring of that cell which contain identical altered genes.

The Institutional BioSafety Committee that conducted the inquiry held a news conference last week. "Either Dr. Kennedy had knowledge of the source and identity of the material used to clone DNA copies of Semliki Forest virus ... or Dr. Kennedy, due to poor record keeping or lapse of memory, cloned Semliki Forest virus DNA by mistake without prior identification," a committee spokesman said.

Duncan Renaldo, Played the Cisco

GOLETA, Calif., Sept. 4 (AP) — Duncan Renaldo, 76, the suave, smiling actor best known for his television portrayal of the Cisco Kid, died yesterday of heart failure at a hospital here.

Born Renauli Renaldo Duncan, he had major film roles in "The Bridge of San Luis Rey," "Trader Horn," "For Whom the Bell Tolls" and appeared in 164 motion pictures and several stage productions starting in 1923.

Pretoria Denies UN Charges of Jailing Children

PRETORIA, Sept. 4 (AP) — South Africa has rejected allegations by the United Nations that children are being held as political prisoners in jails here.

Foreign Minister F. Botha issued the rejection Tuesday in response to a telegram he said was sent last week to the South African government by Waleed Sadi, identified as chairman of the UN Human Rights Commission.

In the telegram, Mr. Sadi said that children "often of a very young age, eight to 10 years old," are imprisoned on Robben Island "after trials which are subject to particular criticism due to lack of respect for the rights of defendants."

Robben Island, off Cape Town in the South Atlantic, houses black political prisoners, including veteran nationalist Nelson Mandela.

Mr. Botha described the allegations as ludicrous. He said South African courts functioned openly and that prisoners were regularly visited by the International Red Cross.

Figueiredo to Visit Paris

BRASILIA, Sept. 4 (UPI) — President Joao Baptista Figueiredo will make a three-day visit to France early next year, Brazilian diplomatic sources said yesterday.

Obituaries

However, it was his role as the Cisco Kid that made him the idol of millions of children. In that TV series, from 1949 to 1956, he starred with the late Leo Carrillo as a pair of vaqueros who brought justice to Old California.

Mr. Renaldo was orphaned at an early age and never knew where he was born. After becoming a merchant seaman at age 13, he was stranded at Baltimore when his ship burned at dockside in 1922.

He worked his way into movies as "Trader Horn." Shortly before the movie's premiere in 1931, he was arrested for entering the country illegally. He was convicted of perjury for claiming he was born in Camden, N.J., and served 18 months in prison before being pardoned by President Franklin D. Roosevelt.

Mr. Renaldo often said he was proud of the fact that the Cisco Kid never killed anyone. He refused to do scripts with unnecessary violence or revenge. "The kids that watched our show went to sleep smiling and not with nightmares," he once said.

Douglas Kenney

LIHUE, Hawaii, Sept. 4 (AP) — Douglas Kenney, 33, film producer and co-founder of the National Lampoon magazine, has been found dead on the island of Kauai, apparently the victim of a fall.

Mr. Kenney's body was found Monday, wedged between boulders below the Hanapepe Valley Lookout, a popular tourist spot. A postmortem was not yet completed, but authorities said they believe he died of injuries from a fall. Kauai police termed the death accidental.

Mr. Kenney, who lived in Los Angeles, was a 1968 graduate of Harvard who co-founded the National Lampoon, according to his attorney, Joseph Shapiro. He was a co-writer of the motion pictures "Animal House" and "Caddyshack," as well as a producer of the latter. He also produced

"Modern Problems" (Century-Fox).

Barbara O'Neil, 70, whose movie credits include "Gone With the Wind" and "The Nun's Story," died at her home in Conn.

Miss O'Neil, who is George Pierce Baker Drama at Yale University on Broadway in such as "Saint's Paradise," "The Nun's Story" and "The Nun's Story."

Court Reverses U.S. Citizen Of Archbishop

DETROIT, Sept. 4, federal judge signed a ruling today formally stripping Archbishop from Roman Catholicism during World War II.

The order signed by Judge Horace G. Malized Archbishop T. ment, made Aug. 25, his citizenship.

Archbishop Trifa, 61, in Grass Lake, Mich., son, is head of the R. thodox Episcopate of A

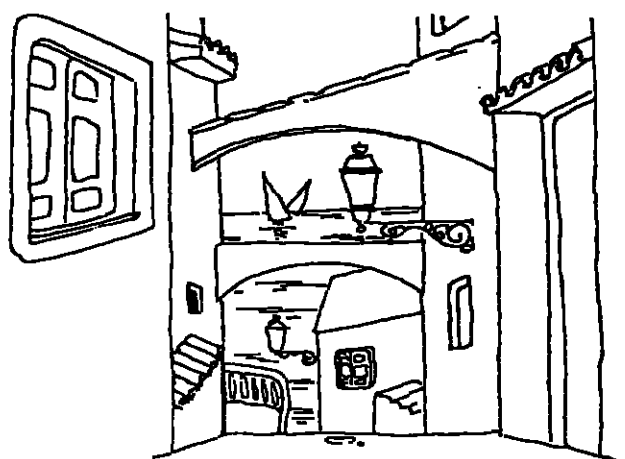
Federal, attorneys would attempt to depose

conceded that the could take years if he exhaust all legal appeal. The government co the churchman lied ab ticipation in the Iron C anti-Semitic, fascist g group in Romania du War II — when he ap zenship in 1950s. He U.S. citizen in 1937.

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Musical Instruments

Bagpipe-Building Business Is Droning Up a Boom

By Mary Cupito

EDINBURGH (IHT) — Scots aren't the only people playing bagpipes. Days from Tokyo to Texas, bands of bagpipers are adopting the instrument.

William Sinclair, owner of the William Sinclair and Son bagpipe firm in Edinburgh, said 65 percent of the 200 bagpipes produced last year were exported, with the United States being the largest market.

John Stobo, proprietor of the J. and John Co., a few miles away from Sinclair, said a third of the bagpipes made this summer went to the United States. Stobo's logbook of pipe lists bands in nearly every state — New York, with 45, to Hawaii, with

the instrument is also exported in substantial quantities to France, West Germany, Belgium, Canada, Australia, New Zealand and the Netherlands.

At the Scots are not neglecting bagpipes themselves. For the past five years, Scottish schools have offered piping, and bagpipe bands are said to be rising up all over the country.

Widespread Earlier

Of the countries to which Highland bagpipes are now exported are total strangers to the bagpipe. Though evidence earlier in the 9th century A.D. is scarce, the instrument was probably invented in the west and carried to the East and West Celtic migration. By the first century, a Roman writer was describing how Emperor Nero could "play the pipes, by means of his lips and by tucking in beneath his armpits."

As the Roman Empire spread, so, probably, did bagpiping, and different forms of the instrument evolved in various places. Germany, for example, had five kinds of bagpipes, Italy three, and France two. But today, German bagpipers are played only in the nether regions of the Black Forest, and just a few country people in France and Italy still play their native form of the bagpipe.

The same story — the decline or total extinction of bagpiping — was repeated in every European country — except one. In Scotland, by the 16th and 17th centuries, bagpipers were employed as musical town criers, rousing residents for their day's work in the morning and serenading them again in the evening.

The Scots devised complex music for their pipes, called *piobaireachd*, in which a melody is repeated and embellished according to a set pattern. *Piobaireachd*, the classical music of the instrument, helped the Highland bagpipe thrive in Scotland.

Apprenticeship

The Highland pipe, the one most people imagine when a bagpipe is mentioned, consists of a bag that serves as an air reservoir, a blowpipe used to fill the bag with air, a chanter upon which the melody is played, and two tenor drones and one bass, which sound a continuous harmony.

It requires great skill to make a set of bagpipes. The apprenticeship at Sinclair and Sons lasts five years. But Allister Sinclair, the fourth generation of a bagpipe-making family that is considered by many to make the finest Highland pipes, said it is "a struggle to learn all that is involved" in five years. The bagpipe maker at J. and R. Glen claims to have spent 19% of the 20 years he has been making pipes just learning the craft.

Which might explain why people must wait up to six weeks for a set of bagpipes from Glen, and at least six months for a set from Sinclair and Son. (One band has been waiting four years.) "If you want to produce the Rolls-Royce of bagpipes," said Sinclair, "you've got to take your time."

First, holes are bored into rectangular pieces of African blackwood used for the drones and the chanter. These are allowed to "season," resting on a shelf for about six months. The wood is then "turned" — carved, as it revolves on a lathe, into narrow cylinders with spiral ribbing and into wider, smooth segments shaped like sausages.

Pieces of African ivory or plastic are also turned. These and metal cylinders form the joints between the segments of wood. Sheepskin or cowhide is used for the air bag, which is covered with tartan or velvet. The drones are tied together with cords.

Despite the world recession, the manufacturers say demand for bagpipes remains high. Business has not been too much affected by the £30 Pakistani bagpipes now selling in Scotland ("Good only for lighting the fire," says Glen's Sinclair) or by pipes produced by mass manufacturers ("Table legs," says Sinclair).

You can expect to pay dearly for the craftsmanship and costly materials of a good set of pipes. An unadorned set made of blackwood and plastic costs £200 from Sinclair and Son or £125 from Glen. If you want something fancier — say, joints made of ivory and silver — the price rises to about £1,000; for ivory and engraved silver, £1,200 to £1,500. Allister Sinclair doesn't like to put an upper limit on the price. "You could get them done in gold," he noted.



Festivals

Stravinsky Dominates 'Berlin Weeks'; Scottish Ballet Limited

By Paul Moor

BERLIN, Sept. 4 (IHT) — Igor Stravinsky's life and music dominated this year's Berlin Festivals, running through Oct. 6. It got off to a splendid start with an impressive exhibition of Stravinsky's life and music in the Academy of Arts, with Moscow's chamber orchestra in a handsome production of Stravinsky's 1951 opera "The Firebird" and with New York City Ballet in two Stravinsky programs choreographed by his longtime friend George Balanchine.

One may hear the Moscow chamber orchestra referred to as the "Moscow Chamber Orchestra" but its members also undertake musicals, even rock operas. Boris Yeltsin, the Soviet chief of state, visited the company nine years ago, led it in an adventurous and

turning point in the official attitude toward Stravinsky. In about 1962, the year he died, at age 88, he revisited the land he had forsaken about 25 years earlier. Before then, Stravinsky during the rampaging anti-Western cultural battles of the 1940s — the Soviet establishment had reviled Stravinsky.

st' Gorilla Dies

MEMPHIS, Tenn., Sept. 4 (AP) — A waza, the world's first gorilla by means of artificial insemination, died last night, Memphis director Charles Wilson said. The baby gorilla was born Sept. 1. His name is a Swahili meaning "the beginning."

Arps and Flats

SEAS — Kai Winding is at the Jazz Club Sept. 6. DON — Frank Sinatra tops the bill at the Festival Hall Sept. 8-13. Telephone. The Searchers, Cream, and the Who at the Elbow Hall Sept. 8 and the group Whiskey Anna Sept. 8-9. NIMAGEN — Emerson Anderson is top night of the Jackson Shafter in London through Sept. 4. Billy Anderson is Sept. 8-13. The group Cream is at the Elbow Hall Sept. 8-9. Aided the Commander Cody Band Sept. 7, 9, 11, 13, Jack Dalenante Sept. 7, 9, 11, 13, and the Tony Ellis Band Sept. 11-12.

UNO — The King's Singers are in 9 Sept. 9 at St. Andrew's Church at 8 in following evening in York at the 11th at 8 and in Brussels on the 11th at 8. The group dates, due at 8 p.m. Cliff (16) in West Berlin Sept. 7 at the International Conference Centre at 9 p.m. and the evening in Düsseldorf at the 11th at 8 p.m. Peter Gubel is in Düsseldorf at 8 p.m. at the 11th at 8 p.m. and in Sept. 9-13 of the Olympia at 9 p.m. evening.

SILVER — Udo Lindenberg tops the bill at the Festival Sept. 6 at 8 p.m. and the TUBELIN — Molly Hatchet will be the attraction at the Metropol Sept. 11 at 8 p.m. Hel Singer is at the Cerveau de la Seine Sept. 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, and will be at the Diner Sept. 6-14, 16, 18, 20, 22, 24, 26, 28, 30, and Steve Potts at the Cerveau Sept. 7-8.

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Theater

O'Toole 'Macbeth' Panned

By Leslie Dowd

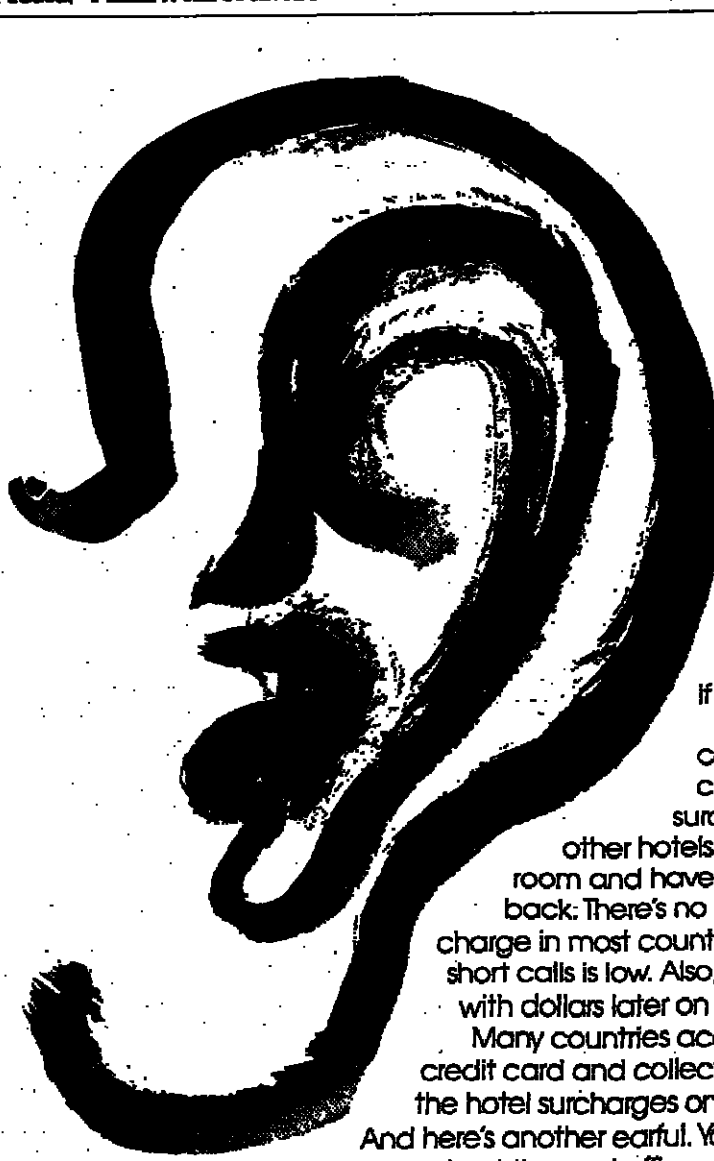
LONDON, Sept. 4 (Reuters) — Peter O'Toole's long-awaited return to the London stage was judged a disaster by the London press and the future of his "Macbeth," at least in its present form, is in doubt.

O'Toole, 48, starred in a production that at times brought titters and, during one dramatically important scene, outright laughter from the first-night audience at the Old Vic last night. The London critics savaged the Irish-born actor's performance, but despite the reviews, the public lined up for tickets today.

O'Toole, highly praised for such films as "Lawrence of Arabia," had not played Shakespeare in London for 20 years. His much-heralded "Macbeth" was intended to give an illustrious start to the Old Vic's classical season.

"Curse of Macbeth falls on O'Toole" was the Evening Standard's headline today, referring to old theatrical superstition surrounding the play. "He delivers every line with a monotonous tenor bark as if addressing an audience of Eskimos," wrote The Guardian's critic, who termed the production "shaming." The Daily Telegraph said the actor "crawled, clomped and declaimed" his way through the performance.

Old Vic artistic director Timothy West said O'Toole had insisted on overall control. West said that changes would have to be made, and he added, "I think it can be saved if Peter will lend himself to it."



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Bell System

By Noel Goodwin

EDINBURGH, Sept. 4 (IHT) — The Scottish Ballet followed the opera into the King's Theater for the Edinburgh Festival's third week, opening with a triple bill that included the premiere of "Chert," by company artistic director Peter Darrell, based on the story by Colette, with original music by David Earl, a young South African pianist-composer.

For Edinburgh audiences it featured guest performances in the leading roles by Galina Samsova and the American Ballet Theater's Patrick Bissell, making his British debut. Bissell, handsomely personified the youth in love with a woman supposedly twice his age, as Samsova did the still beautiful Lea, who finally sends her lover back to his new wife. The boy's role, however, makes few demands on Bissell's reputation for virtuoso technique, apart from some multiple pirouettes, while Samsova's ability as a dance-actress was only modestly engaged.

The marshmallow softness of the baller's center is made more so by the music: virtually a piano concerto in a romantic idiom harking back to Rachmaninov and beyond. There is a big tune in movie-music style as an emotional tag for the love affair, and a smart little marching theme for the youth, as if to remind us that he does not spend all his time in, or rather on, the double bed with Lea (toes beautifully pointed).

Philip Prowse's set shuttles smoothly from bedroom to parlor and back through seven scenes. His costumes are an eye-catching parade of period dresses and hats, but their authenticity masks the lines of the dancers and diminishes what little choreographic interest there is beyond the lovers and their pas de deux — certainly not enough to sustain the ballet for its full hour.

Among the surrounding characters, Eleanor Moore as the bride and Sally Collard-Gentle as her mother managed to make their roles more than two-dimensional, and Bramwell Tovey conducted what sounded like an assured account of the music.

The 'Tallest Man' in Asia Gets Special Allowance ISLAMABAD, Pakistan, (UPI) — An 8-foot-2-inch Pakistani, said to be the tallest man in Asia, has been granted a special government allowance because of his "abnormality."

Mohammad Alam Channa will receive \$50 per month from the Pakistani government to help him cope with the unusual handicap of being too tall, a government official said.

Venice Film Festival

Antonioni 'Mistero' Is Handsome One

By Thomas Quinn Curtiss

VENICE, Sept. 4 (IHT) — As Michelangelo Antonioni is a cineaste of formidable reputation, the world premiere of his latest film, "Il Mistero di Oberwald," at the Venice Festival has been anxiously awaited.

"Il Mistero" is based on a Cocteau play that Cocteau himself filmed in 1948 — "L'Aigle à Deux Têtes," known in English as "The Eagle Has Two Heads." "Double Eagle" is more apt, as the setting is obviously the dual empire of Franz-Josef's reign and its heroine is obviously modeled on the martyred Empress Elizabeth.

A beautiful queen, widowed by her husband's assassination on their wedding day, has withdrawn to a lonely alpine castle, allowing the reins of government to fall into tyrannical hands. One stormy night a young anarchist poet scales the walls intent on slaying her to liberate the land. Wounded by the sentries during his climb, he invades her chambers and collapses before her. She conceals him from her guardians and appoints him her librarian, but a canny minister sees through this subterfuge. Queen and pauper fall in love, and death is the only escape from their predicament. In a word, an old-fashioned romantic melodrama of yellow plush time, a sub-Sardou premise more suited to operetta than to opera.

Passé Chaptrap

It is strange to discover the ultra-modern director of "Blow-Up" and "L'Avventura" reveling in this luxuriant, passé chaptrap, especially as the Cocteau original is initiative, a fake antique, theatrically inferior to "The Prisoner of Zenda." Apparently Antonioni's purpose was to fashion a star vehicle for Monica Vitti. It was Edwige Fenech who created the role, bringing it a real grace and curious pathos. Vitti here is beyond her depth and her considerable talents would be better matched to Zaza and her woes. She has not the royal touch. Nor is Franco Branciaroli as the poet of liberty within measuring distance of Jean Marais, for whom the part was written, though clever lighting gives his eyes an effective hint of lunacy.

The lengthy hollow tirades impose a static on the proceedings, but Antonioni has "opened up" the script in as far as it is possible pictorially, with stunning glimpses of mountain storms and rides through the fields and forests. On all counts the production is a handsome one, meriting high marks for its art work, macabre atmospherics and mood music, but it is unable to vivify its oppressive hokum.

Galuber Rocha is a brilliant, nonconformist Brazilian filmmaker, creator of several extraordinary

motion pictures. His latest, "A Idade da Terra," rides high on the wind of his runaway fantasy. It rants and raves, sometimes sounding like the soap-box address of a stoned hippie of the '60s, repeating its statements so frequently that the subtitles refrain from translating them more than five or six times. The result is that it often might be mistaken for an intense course in Portuguese phraseology. The burden of its message seems to be that civilization began in Greece, and died in the United States. It may be that Rocha is cunning, his overheated mouthpieces, but one is never certain. Towards the finish there is praise of basic Christian ideals. Has he joined the Jesus people? Has he turned Tolstoyan? From this scrambled spectacle it is impossible to judge. There is mockery of Coca-Cola, American advertising that has invaded even Bahia, and loud denunciation of threatening atomic warfare, materialism in general, and pollution.

The premiere audience could make little of it, and, annoyed, by its ambiguity, not a few spectators stalked out during its 158-minute unveiling. Yet, though incomprehensible in its course, it is a surrealistic phantasmagoria of remarkable vigor and sudden flashes of great visual beauty. Its sound track may rattle with insane quickness, but there is magic and excitement to its imagery. It is, despite the accompanying crazy din, something to see.

"Osaka" by Antonio Pedro Vasconcelos is an arresting first film, probably the Venice Festival's most important revelation, bringing to the fore a new director-author of ideas and originality. Representing Portugal in competition, it relates the experiences of a Portuguese youth who has desert-

ed from the colonial army to live in exile in Paris for eight years. Learning of the 1974 coup d'état, he returns to his homeland to witness the changed social scene. He arrives full of hopes, but finds it so impossible to adjust to the contradictions that revolution has brought that he returns to Paris. The film is too long, but it is crowded with interesting episodes and characters. It is persuasively performed and throughout displays a directorial mind of uncommon gifts.

Rockefellers In Art of Zen Maintenance

NEW YORK (AP) — Financier Laurence Rockefeller was instrumental in making grants from the Rockefeller Brothers Fund to support the growth of Zen Buddhism in the United States, according to the fund's report.

The report, which said the fund gave away \$32.6 million last year, dwelt at length on modest grants to encourage Zen Buddhism and other philosophies.

Seven grants topped \$1 million, including \$6.42 million for Rockefeller University and \$6.13 million for the Memorial Sloan-Kettering Cancer Center, both in New York.

Grants totaling \$45,000 to encourage Zen Buddhism were made, the report said, because of former fund chairman Laurence Rockefeller's interest in having the fund explore "a simpler lifestyle." Rockefeller stepped down as chairman in June after 22 years.

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Carter and the Mideast

President Carter was criticized for playing politics with the Mideast peace process immediately after special ambassador Sol Linowitz announced that Israeli-Egyptian talks on Palestinian autonomy would resume. That should come as no surprise in a campaign year. First of all, aside from the importance of the talks in the context of world peace, they also have a substantial political content. The president cannot, nor should he, be expected to ignore that. At the same time, he should not be spared questions or criticism on specific grounds. If anyone can demonstrate that resumption of the negotiations in the next few weeks is likely to hinder progress, or that a Carter-Begin-Sadat summit after the election would damage peace prospects, he should challenge Mr. Carter to defend his actions.

For the moment, though, Mr. Linowitz' comment that he went to the Middle East "because the situation was deteriorating" is reasonably persuasive. The negotiations, which are meant to help solve the Palestinian refugee problem, have been sidetracked because of Egypt's inevitable opposition to the way in which Israel is pursuing its policies on Jerusalem and West Bank settlements. The policies themselves could become the subject of negotiation, but for reasons of politics and conviction, Mr. Begin has insisted on complicating things for Mr. Sadat with his hard-line formulations. It is important that the talks

get beyond what for the moment are peripheral questions if they are not to expire, which many observers think is unavoidable anyway.

Both Mr. Begin and Mr. Sadat undoubtedly made their own calculations about the effect reopening the talks would have on the U.S. election. They could have hurt President Carter's chances of winning in November by rejecting his initiative. Neither one of them would have been harmed domestically or internationally by rejecting talks now. But they both chose to enhance the president's prospects of being re-elected. That is not surprising in President Sadat's case, but it is in Prime Minister Begin's. Republican candidate Ronald Reagan and independent John Anderson are actively re-enforcing a strong feeling among many Israelis and American Jews that President Carter will sell out Israel in a second term unencumbered by the political constraints of courting Jewish support.

There's certainly no reason to expect that the new round of talks will produce a dramatic breakthrough, but Mr. Linowitz raised some hope when he said that he had delivered a document from Jerusalem to Cairo that might eventually serve as a basis for an agreement. An Egyptian-Israeli accord on Palestinian autonomy will only be the beginning of a long, complex process. But that is all the more reason to pursue it persistently.

INTERNATIONAL HERALD TRIBUNE

Desert One Revisited

The report submitted recently to the U.S. Joint Chiefs of Staff on the Iranian hostage rescue mission is a puzzling and in many ways a troubling document. Throughout its pages there is a confusing ambiguity: Is this meant to be a no-holds-barred assessment of the attempted rescue operation or a forward-looking review whose purpose is to improve future counterterrorist operations? The Summary, Conclusions and Recommendations sections (those that have served as the basis of most press accounts) are largely of the second variety.

Insofar as they address the mission itself, these "conclusions" and "recommendations" do so in general, mostly favorable terms, asserting that the mission concept was a valid one — feasible though high-risk — and that no single error accounted for its failure. But the detailed analysis of 23 issues that forms the body of the report tells a very different story. This section paints an unmistakable picture of an operation flawed not by a single mistake but by multiple errors in judgment at every stage of the mission — planning, training and execution.

The report itself designates 11 of these 23 issues as "major." Some of those not included in the list of 11 would not have affected the success or failure of the mission, but raise serious questions nevertheless: for example, the inexplicable failure to equip the helicopters with explosive destruct devices so that classified material and equipment would not be left behind intact. But it is the key 11 — the short list — that require and repay study, even if the results are very disturbing.

By far the most important issue among these is whether a "seemingly nondiscriminating overemphasis" on secrecy compromised the mission from the earliest stages of its planning. All of the other critical issues — the lack of independent review of the plans, confused lines of command at the operational level, lack of training and adequate rehearsals, the shortage of helicopters, the absence of communication between the helicopters in flight, poor use of intelligence and the failure to prepare for adverse weather — are traced back to this admittedly essential concern. In each of these cases, the review group was able to name an alternative course, which it concludes would have had no effect or only a minimal one on security while substantially — if not critically — improving the chances of success.

This destructive and paralyzing excess of secrecy led to a "rigid compartmentalization" of all those involved in the mission. Forces from the different services or from different home bases — for example, the helicopter and C-130 crews — did not train together or, if they did, had no opportunity to meet and discuss what had gone wrong. Individual units could not even recognize the commanders of other units, leading to the chaos that eventually prevailed at Desert One. Plans were reviewed only by the planners and by the chiefs themselves, not by anyone with special-operations or recent combat experience. The full resources of even the Pentagon's own intelligence service were not utilized. Raw intelligence was passed on to members of the task force, and they in turn were unable to discuss it with intelligence analysts.

The "traditional relationship between pi-

lots and weather forecasters was severed," so that although forecasters in Washington knew that dust storms might be encountered, the pilots did not and were unprepared to deal with them during the mission. Because these discussions never took place, high-level planners never appreciated the danger either, and the information on dust storms was relegated to an appendix of the operations plan.

Since the helicopter pilots had to rely mostly on dead reckoning for navigation, this was a key mistake: Clear flying weather had been designated explicitly from the beginning as a condition "essential" to success. The dust storms caused the helicopter flight to disintegrate. The leader turned back and landed, none of the others knew what he had done or whether he might be headed back toward the aircraft carrier, and he was similarly ignorant of what they were doing; one helicopter, not knowing that the weather was clear a few miles ahead, turned back; and all the other helicopters were late in arriving at Desert One.

If any one mistake is singled out, it is the shortage of helicopters that began the mission. The explanation is surprisingly simple. The helicopters were airlifted to the area soon after the hostages were taken, when plans called for only four of them on the mission. Six were sent out and two were added later. Meanwhile, the forces thought to be necessary for the rescue continued to grow, so that eventually eight helicopters were called for. No ceiling in the number of troops was ever set, and changes were made up to the last minute. By then, planners were reluctant to compromise security by sending out more helicopters, although adequate fuel was available at Desert One "for at least 10," and 11 could have reached the halfway point.

These are only some of the many threads the report leaves dangling — horror stories of mismanagement and poor judgment whose implications are never even raised. For example, what accounted for the collision of the helicopter and the C-130? Others are treated only in glancing fashion. Chief among these is what effect the planners' determination — a political-bureaucratic necessity? — to give equal roles to each of the four services may have had on the effectiveness of the mission. The report merely raises the question of why Air Force helicopter pilots trained in special operations and with previous experience in Vietnam were not used instead of the naval squadron trained as minesweepers that was chosen. Other sources have also raised the question of whether the Navy's helicopter maintenance was less reliable than that of the Air Force.

Granted, as the report repeatedly points out, no single one of its suggested alternatives could have itself guaranteed success. But what if six or eight or all 11 of its "major" issues had been decided differently? Would not the mission have had a far greater chance of success? Although the question is never asked nor answered, the substance of the report compels a conclusion that the answer is an unambiguous yes. Despite the authors' obvious reluctance to have it be one, their report turns out to be a damning criticism of the rescue mission.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago
September 4, 1905

PARIS — Today's editorial in the Herald says there is no cause for alarm in the news of a mild outbreak of Asiatic cholera in Prussia, where 66 cases, 23 of them fatal, have been reported up to the present. "The epidemic that ravaged northern India in 1900 spread to China, to Russia's provinces and thence gained a footing in eastern Europe. Cholera has reached the Baltic by way of the Vistula. It is incontestable that the spread of the disease in Hamburg when the epidemic of 1892 first broke out was favored by the short-sighted policy of secrecy adopted. That lesson has evidently been taken to heart, and the disease is not likely to get out of hand," the Herald concludes.

Fifty Years Ago
September 4, 1930

PARIS — Political uncertainty prevents Europe from organizing its economic forces and using its credits more advantageously, according to M. Marcel Pays in an article published in the Excelsior on the economic crisis of Europe. He recalls the energetic development of production in the United States, conducted without consideration of the capacity of its home market or the payment facilities of foreign markets. If the political and diplomatic malaise of Europe were dissipated and if a better sentiment of human solidarity stimulated commercial exchanges, the present crisis of over-production, or rather under-consumption, would be heard of no more. M. Pays concludes.



Lightweights in a Phony Campaign

By James Reston

WASHINGTON — President Carter has done the three things he had to do by Labor Day to restore his chances for re-election: He avoided an open break with Sen. Kennedy, he won the reluctant support of Big Labor by swallowing most of Kennedy's policies, and he de-fanged his brother Billy. As a result, he's back about even with Reagan in the popularity polls. He has abandoned the moral arguments that helped bring him to power in the first place. He has switched his economic policies to fit the popular and political mood of the moment, and he is now arguing that, if he is no longer "the best," compared to Reagan, he is at least not "the worst."

After a year or more of political exhibition games, the presidential playoffs were supposed to start seriously on Labor Day. By now, it was hoped, the candidates would begin to define the issues for decision in the rest of the '80s. They have done nothing of the sort.

Instead, they have given us more TV exhibition shows, with Reagan using the Statue of Liberty as a theatrical prop, and Jimmy Carter crying "You all come" in the South, and using the White House backyard as a rallying ground for his disgruntled union buddies.

A presidential election is a dicey bet on the future. What the voters want to know is where we are going in the rest of the '80s. What they are being told by Carter is how many silly statements Reagan has made in the past and by Reagan how many disastrous and contradictory policies Carter has supported in his first term. What is missing on both sides is a definition of the policies they would follow in the future, if elected.

It's obvious that the voters feel trapped in the unhappy choice between these two men,

and doubtful about Anderson as an alternative, but it's also clear that all the players in this game feel trapped in circumstances they cannot control.

Reagan needs to reach out to the working folk he has ignored for the last 30 years, but he is trapped by his promises to the conservative minority of the Republican minority, and for some reason he feels he has to prove his loyalty by confusing a billion Chinese on the mainland with the remnant of his old buddies on Taiwan.

Nobody Faces the Issues

Carter is trapped between his ideals and his ambitions, and is ditching the former in his struggle for another term. His new economic policy, the seventh in less than four years, is seen more as a political program to revive Carter than as an industrial policy to revive the nation's productivity.

Big Labor is trapped between its loyalties to the Democratic Party and its doubts about Jimmy Carter's faith in that tradition. It's sad to listen to the labor union leaders calling on TV for their unemployed members to support an administration that has presided over the worst economic decline since the Depression of the '30s.

Even Big Business has serious doubts about Reagan's simplistic views of a world that is changing faster than we can change ourselves, and feels trapped between its longing for a Republican administration and its doubt about whether Reagan has the ability and energy to grapple with the increasingly intractable problems of the coming years.

The result of all this is that nobody at home or abroad really knows how to plan for the future. The foreign policy of the United States is paralyzed, and has been for months. The secretary of state, Ed Muskie, is playing

politics with policy, and the U.S. ambassador in Peking, Leonard Woodcock, is being told to organize the Chinese leaders to oppose Reagan's bid for the presidency. This is something new: Never in recent memory has a president so blatantly used his secretary of state or his ambassadors abroad to play politics with their offices.

And the reason for all this is fairly clear. Carter is a very determined man. He admits he has made many mistakes, and that his economic record is hard to defend. So he is proclaiming that he has learned his lessons in the first four years and that the next four years will be better. Meanwhile, in a velvet glove but with an iron fist, he is going Reagan as an amiable but dangerous dumb-bell at home and abroad.

Unfortunately, this is the kind of campaign it seems we are going to have to endure from now to November. Nobody is going to define the hard issues for decision in the next few years — how to control inflation in the world, how to take the arms race by the throat, how to control the invasion of illegal aliens into the American Republic, how to educate our children, and how to deal with the moral squalor of our sexual and family life.

Instead, unless the press begins to ask some really hard questions of these presidential candidates, we are going to have a phony campaign of pretense, with Carter and Reagan savaging each other and blowing off about the past in order to avoid the hard questions of the future. For the time being, they are all trapped in the vicious squabbles of the campaign, but the main question is who will be able to govern the country for the next four years after all these squalid arguments are over.

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Trendy Anti-Zionism, Stubborn Israel

By Dial Torgerson

JERUSALEM — The government of Menachem Begin is busily passing ammunition to its enemies, saying, in effect, "Why not? They'll shoot at us anyway."

Shipping at Israel has, in fact, become an almost obligatory international pastime in world forums, where it flourishes under the banner of anti-Zionism. But the trend raises a darker question, one troubling Israeli Jews and their coreligionists abroad: Is anti-Zionism really anti-Semitism?

Anti-Zionism was illustrated recently when the United Nations Security Council censured the Israeli bill that redefined Jerusalem as Israel's capital. The frightening problem, as some observers here see it, is that this new anti-Zionism is becoming trendy — a bandwagon for both the seekers of a cause and the users of petroleum to leap aboard. Nations and groups which once would have nothing to do with anti-Zionist moves, for fear of being dubbed anti-Semitic, are joining the new trend. And Begin's policies have made it easier.

Zionism, by traditional definition, is the movement for the establishment of a Jewish state in the ancestral homeland of Israel. Since that was accomplished more than 30 years ago, being anti-Zionist today is anti-climatic. Here is where the dark side of the current debate lurks, according to many Jews. They say that what people call anti-Zionism is now merely a guise for the emergence of latent anti-Semitism.

Anti-Semites

It is, some fear, a threat not just to Jews here but to Jews everywhere. Such transference is relatively easy for anti-Semites, some say, pointing to Soviet attacks on Israel as an indirect attack on Russian Jews.

Said Max Greenberg, the Los Angeles lawyer who, as national chairman of the Anti-Defamation League, often visits Israel: "Given impetus by Arab League propaganda, anti-Semitism surfaces under the guise of anti-Zionism. Israeli political decisions... are likely to affect the status of Jewish Americans who identify with [Israel] as a Jewish homeland and a friendly nation."

"The enemies of Israel — the Soviet Union, left-wing movements, the Arabs — know that the Jewish state could not exist without the support of the Jews in the diaspora, particularly those in the United States. These enemies are attempting to diminish the political and moral influence of the Jewish community within the United States."

There are many in Israel who agree with Greenberg that the actions of the Begin government are making things hard not just for Israelis but also for their supporters

abroad. A classic example is the Jerusalem law.

Jerusalem has been de facto capital of Israel since the prime minister and the Parliament declared it so after the 1948-49 war of independence. Yet all Israeli parties backed a bill which — at a time when it flourishes under the banner of anti-Zionism — legally declared Jerusalem to be Israel's eternal capital. This opened the door for the Security Council's admonition to foreign nations to remove their embassies from Jerusalem.

Departures

The storm of protest that followed the bill's passage inspired the departure from Jerusalem of 11 embassies, including that of the Netherlands. Only the embassies of Guatemala and the Dominican Republic remain. (Thirteen countries originally had embassies in Jerusalem, while 26, including the United States, have them in Tel Aviv.) Thus, the bill seemed not only redundant, but also patently ill-timed and unwise.

"Israel will walk alone, if need be, with its head proudly on high," said Begin, as the nation's long-time friends defected.

Israeli officials look one firmly in the eye and deny that the Jerusalem bill had anything to do with the flight of the embassies. Arab oil pressure caused it, they say, usually adding: "What we do is irrelevant, anyway. They will attack us, whatever we do."

To understand this, one must understand the background of Zionism that brought the Jewish people to Palestine. "Begin likes to tell a story about when he was one of the few Jews in a Polish high school," a friend said. "Everyone would seem to be getting along, and then one day the Polish kids would suddenly turn on the Jews and beat them up. So Begin asked one of the Polish boys why, and he said: 'It's because you are here. Because you exist.'"

And this, indeed, is the chief Israeli affront to the Arab world, and the rationale for the attacks against it: because it is here. What changed recently was that the Arabs now have so many once-neutral countries on their side. Why? "There is a Soviet-Arab camp," said a friend, "financed by hundreds of millions of dollars, to create an anti-Semitic structure in the world." An Israeli Foreign Ministry official said: "It is the most serious problem we must face."

"While Arab nations can kill state enemies by the thousands, two Security Council meetings can be called over Israel's depopulation of three Arab leaders who, in other parts of the world, simply would have been put out of their misery," an official said. "The world does not measure Israel by the yardstick used in judging other nations."

If being anti-Zionist is internationally trendy, the fear is that

anti-Semitism also will become so. A Foreign Ministry official said: "It used to be that the extreme right was anti-Semitic but not anti-Zionist, and the extreme left anti-Zionist but not anti-Semitic. Now both are becoming both."

Arab rhetoric rejects the charge of anti-Semitism. Arab spokesmen claim that they object to the Jewish state because it is a Jewish state, not because it is Jewish. Look at these other nations, giving in to Arab demands. It is unprecedented in history for powerful nations to buckle under this way.

"We can't stage a pre-emptive strike against this political and economic warfare. But how long will the West take it, having the Arabs tell them what to do? Eventually it is they who will do something. And we will stand firm, and wait, and let the waves wash over us, and eventually you will see that we were right."

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Letters

Family Affair

Regarding the editorial "All in the Family" (IHT Aug. 7): I find the way the media have singled Billy Carter out for attack particularly unfair. President Carter, unlike his predecessors, has allowed his mother, his wife and his daughter to reside in state affairs by preferring them to better qualified state officials on various trips to Europe, South America and Asia. Billy Carter may be considered as more "qualified" than his octogenarian mother and his juvenile niece.

JAMES TADION.
Geneva.

Veeps, Wives ...

May I suggest that to lend an air of verisimilitude to an otherwise bald and unconvincing scenario, both candidates withdraw in favor of their vice-presidential partners, both of whom are better educated and better qualified than their principals. Failing that, let the latter withdraw in favor of their wives. Should this prove unacceptable to the electorate, let them withdraw along with their parties in favor of a president and a vice president chosen by a revised Electoral College. The House of Representatives could assume the awesome responsibility of choosing a chief executive. With a little bit of luck, it would be Sen. Kennedy.

PHILIP B. SULLIVAN.
Berlin.

Giscard

Golly, it must be wonderful to be French. I've read and reread Adalbert de Segonzac's "France and the U.S. Connection" (IHT, Aug. 28) to see whether the United States is doing anything right or whether France is doing anything wrong. Surprise, surprise, we Americans just don't know what we are doing, and all we have to do is do what the French tell us, and everything will be OK.

What to do? Why don't we put Giscard in the White House and let Carter and Reagan fight it out for the Elysee? Vive la France!

FRANCIS M.S. PEEL.
Geneva.

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BUSINESS NEWS BRIEFS

Willot Begins Korvettes Debt Payoff

NEW YORK, Sept. 4 (UPI) — Korvettes announced yesterday that it has begun paying off its \$10 million debt to the U.S. Navy.

French merchanting group said Tuesday that it plans to cut out of its financial empire as a "bad investment" after buying it only two years ago in an attempt to penetrate the U.S. market.

In addition to the \$10 million, Agache-Willot will pay lenders \$5 million on Oct. 15 and Nov. 15. It will make a final \$2 million payment on Dec. 15, 1981. Korvettes' total debt amounts to \$35 million.

U.S. Group Gets Defense Contract

WASHINGTON, Sept. 4 (AP-DJ) — The U.K. Ministry of Defense chose a U.S. group as prime contractor to update Britain's air-defense network.

Members of the selected company, UK SL, are Hughes Aircraft and two other companies. Plessey and the Marconi Radar System unit of British Electric, which is not related to General Electric of the United States, are also part of the project.

Financial details remain to be worked out, a ministry spokesman said, but he expects that the three companies will share roughly equally in the contract, valued at about \$242 million. NATO will provide primary funding.

Petroleum Reports Rise in Net

WASHINGTON, Sept. 4 (AP-DJ) — British Petroleum announced today a net profit for the six months to June, 1980, of \$776 million, up from \$622 million in the same period last year.

The second quarter alone, the net profit was \$371 million, up from \$244 million in the second quarter of 1979. Total sales, including operations, sales and other income — but subtracting taxes — rose to \$6 billion from \$5.6 billion.

The second quarter included major contributions from the group's activities in the North Sea and Alaska, through Sobho. The movements were offset somewhat by a marked deterioration in the oil and plastics business and the effects of currency translation, it said.

Big Blocks McDermott's Pullman Bid

ICAGO, Sept. 4 (UPI) — A federal judge yesterday blocked the attempt by a New Orleans firm to take over Pullman, ruling that it violated Securities and Exchange Commission regulations on amount of time an offer must stand.

A District Judge Frank McGarr granted a preliminary injunction against a \$43.50-per-share offer by McDermott & Co. Pullman sought court action Tuesday, in an apparent reaffirmation of its attempt to fend off a takeover by Wheelabrator-Frye.

McDermott last Friday increased its bid from \$28 per share to \$43.50 in order to outbid Wheelabrator's \$43 offer. Wheelabrator made a \$52.50 offer yesterday.

Pullman contended that SEC rules require that an offer be outstanding for 20 days, with shareholders allowed a 15-day period in which to vote. McDermott argued that the company had complied with the regulations, saying the only change was in price. McDermott's offer would give the firm 61 percent of the shares of Pullman, a manufacturer of railroad cars.

Kaiser Resources in \$1-Billion Takeover

NEW YORK, Sept. 4 (AP) — Kaiser Resources, Canada's largest producer, has agreed to a \$1-billion cash takeover from a British Columbia company.

British Columbia Resources Inc. said yesterday that Kaiser Resources, based in Vancouver, accepted an offer worth up to \$997 million, or about \$857 per share.

British Columbia Resources, set up by the provincial government three years ago and largely sold to units of the Canadian province of British Columbia, said its \$555-million offer depended on its acceptance by 51 percent of Kaiser Resources' shareholders.

Getting Into Coal
Kaiser Resources produced 6.8 million tons of coal last year from mines centered in southeast British Columbia. According to sources close to the companies, Kaiser Resources is expected to get into the coal business in a significant way, and this is the best way to do it.

Kaiser Resources had sales last year of \$478 million. Although it sold its Canadian oil-gas-producing operations for more than \$500 million earlier this year, it still has oil interests in the North Sea and off the Atlantic of Canada.

North Sea Sale
Meanwhile, there were reports that Kaiser Resources was set to sell a 54-percent interest in the Brae oil field of the North Sea to the Swedish government-owned company for \$390 million.

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Saudis Buy Remainder Of Aramco

By Lydia Chavez

WASHINGTON, Sept. 4 (LAT)

The Arabian American Oil Co., long held by a consortium of four U.S. oil companies, has been acquired in full, as expected, by the Saudi Arabian government, Aramco officials said yesterday.

The deal could yield the companies as much as \$2 billion.

An Aramco spokesman said in Washington that the company has received from the Saudi government "the balance of the monetary consideration for the transfer of substantially all of its assets" in Saudi Arabia.

[United Press International quoted the Houston-based publication Saudi Report as saying the completion of the takeover was confirmed by Abdul Hadi Taher, governor of Faramin, the Saudi Arabian state-owned oil firm.]

A source from a major oil company said the four Aramco partners — Standard Oil of California, Exxon, Texaco and Mobil — received between \$1.5 billion and \$2 billion for their remaining 40 percent interest in the partnership.

\$5 Billion Total

An industry source said that Saudi Arabia, which acquired 25 percent of Aramco in 1973, then boosted its share to 60 percent in 1976, paid the four partners nearly \$5 billion for the total assets of Aramco.

Aramco controls most of the 9.5-million barrels a day produced from Saudi Arabia, which holds one-fourth of the world's known oil reserves and supplies about one-fifth of U.S. crude oil imports.

Robert Olsen, a senior adviser to Aramco for Cal Standard, said Aramco partners had been operating since 1973 as though Saudi Arabia owned 100 percent of Aramco.

Currently, the U.S. companies are entitled to about 7.5 million barrels a day from the Saudi fields — leaving the remaining 2 million barrels a day to Petroleum.

The four U.S. partners will now work under service contracts, Mr. Olsen said.

A spokesman for Bow Valley said such a purchase would mean that the company's holdings in the field would be worth more than \$1 billion.

The transaction is subject to approval by British and Swedish authorities. Kaiser declined to predict when the arrangement would be completed.

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Fed Policy Eases Fear on Interest Rates

NEW YORK, Sept. 4 (AP-DJ) — Interest rates continued to move downward yesterday as the Federal Reserve System gave implicit confirmation that its preferred trading range for Federal funds is about 9 1/2 percent to 10 1/2 percent, lower than originally feared.

Federal funds are reserves which banks lend each other; their rate provides an indication of the availability of reserves and also serves as a peg for most other interest rates. Until late last week, market specialists had worried that the Fed would allow a much higher funds-trading range.

With those fears calmed, rates in the money and capital markets have declined sharply since early Friday. Short-term interest rates yesterday registered drops ranging to more than 1/4 point. Prices of long-term bonds, which move inversely to rates, rose about one point, or \$10 for each \$1,000 of face amount of securities.

The indication of a 9 1/2 percent to 10 1/2 percent "preferred" trading range for funds came yesterday morning when the Fed drained reserves from the banking network with funds trading at 9 1/2 percent. It did so by selling securities to dealers and simultaneously agreeing to buy them back at a later date.

Sales of securities by the Fed mops up reserves from the banking system because dealers pay for their purchases by drawing on their commercial bank accounts.

Intervention Points

Just last Friday, the Fed injected reserves into the banking network when the funds rate jumped to 11 percent.

The actions "pretty much identify the neighborhood of the Fed intervention points," said Maury Harris, a vice president of Paine, Webber, Jackson & Curtis. "When the funds rate is 9 1/2 percent or lower, the Fed clearly will be draining reserves; when it gets to about 10 1/2 percent, the Fed will be adding."

NYSE Rally Cut Short By Rumors

From Agency Dispatches

NEW YORK, Sept. 4 — An exuberant rally on the New York stock market was cut short by unfounded rumors that presidential candidate Ronald Reagan was ill, and prices ended lower in very heavy trading.

Analysts said the rumor, denied by the Republican National Committee, was a major factor in the slide. Wall Street has generally looked favorably on Mr. Reagan's candidacy.

The Dow Jones industrial average rose more than 10 points early in the day and the stock exchange tape ran as much as 20 minutes late. But the blue chip average ended down 4.35 points to close at 948.81 with declines leading advances by a few issues. Volume rose to 59 million shares from 52.37 million yesterday.

The early heavy trading caused many investors to stand back for a while until they could get a clearer picture of the market's course.

Prices were higher in heavy trading of American Stock Exchange issues.

Analysts said the early strength resulted from new confidence that the recent rise in interest rates would not continue and from heavy buying by traders who had previously sold short in the expectation of a market pullback.

But, analysts said, many investors saw the morning rally as an opportune time to lock in the profits they have earned in the big market advance this year.

Analysts also said concern about reports due tomorrow on August wholesale prices and changes in the money supply had prompted caution.

From Detroit, it was reported that U.S. car production for August totaled 310,163, the lowest for any month since Aug. 1970, when 287,758 were built, according to the trade paper, Automotive News.

The Aug. 1980, total was down 31 percent from the 449,703 cars produced in Aug., 1979.

Sony made the list with blocks of 200,000 shares at 12 1/2 on the NYSE and 150,000 shares at 12 1/2 on the Pacific Stock Exchange. Black & Decker had a block of 344,000 shares at 21.

AT&T, a 2 1/2-point winner the past two sessions, was active. Analysts are optimistic about AT&T's potential in the data transmission field, which the company is expected to enter soon.

Senate Passes Overseas Banking-Trade Legislation

By Clyde H. Farnsworth

WASHINGTON, Sept. 4 (NYT)

The Senate unanimously approved yesterday a bill permitting companies and banks to join forces in setting up Japanese-style trading companies to strengthen American marketing overseas and increase exports.

The bill, which would adjust antitrust and banking regulations to encourage creation of the overseas selling enterprises, still has to be passed by the House, where the outlook has been uncertain.

But the 77-0 Senate vote yesterday demonstrated congressional support for the bill that surprised even its staunchest backers and was expected to generate momentum in the House.

House Banking Committee Chairman Henry Reuss, D-Wis., has already introduced legislation similar to the Senate bill, whose main sponsor was Sen. Adlai Stevenson 3d, D-Ill. Hearings are now expected to start in a House banking subcommittee this month.

Sen. Stevenson said the bill should help 20,000 American companies that could export but do not because they are not equipped to handle the costs and risks involved.

Export-oriented companies, banks, trade associations and some labor unions, with powerful reinforcement from the Carter administration, put together the coalition that brought the unusual unanimity in the Senate.

Unsnagged Difficulties
Andrew Maniatis, assistant secretary of commerce for congressional affairs, said, "I am rather confident that a bill will emerge

from the House either before elections or in a lame duck session in time to get final passage before the year is out. There have been difficulties, but we've managed to unsnag them every time they have come up."

Within the administration, Commerce Secretary Philip Klutznick and Special Trade Representative Reubin Askew have been the prime movers behind the legislation which seeks to make the United States a much more aggressive figure in world export markets. Exports account for less than 10 percent of the total output of American goods and services, against more than 25 percent for Germany, Japan and most other major trading nations.

BEIRUT, Sept. 4 (Reuters) — Saudi Arabia is considering cutting back crude oil production, probably before the OPEC summit meeting in Baghdad at the beginning of November, the Beirut daily al-Bayraq said.

The newspaper quoted Arab oil-market sources as saying the possible cutback would be in response to a glut in world supplies and the drop in spot market prices.

Up to \$10 Million
Banks would be permitted to invest up to five percent of their capital and surplus in a trading company, provided the investment does not exceed \$10 million.

For a larger investment, banks would need approval from the appropriate regulatory body — the Federal Reserve Board, the Fed-

Bill Would Encourage U.S. Exports By Reducing Marketing Constraints

The bill would amend existing legislation — the 1934 Glass-Steagall Act — that bans banks from directly engaging in commerce. It further strengthens an antitrust exemption of the 1919 Webb-Pomeroy Act permitting competing companies to band together overseas. A new trading company under the bill would get advance antitrust clearance, eliminating the risk that criminal action might be filed later.

Trade lawyers have cited the uncertainties of antitrust prosecution as among the major deterrents to joint overseas enterprises.

In practice, the bill would permit companies, big or small, in any field to petition the Commerce Department for certification as an overseas trading company.

If the Justice Department agrees that the overseas operation will have no effects on domestic competitiveness, it would provide the advance clearance.

W. German Steel Output
DUESSELDORF, Sept. 4 (AP-DJ) — West German steel mills produced a total of 3.67-million metric tons of crude steel last month, up 1.1 percent from July, according to preliminary figures released in Duesseeldorf today.

Crude steel production for the first eight months of 1980 totaled 30.37 million tons, up 1.2 percent from the comparable year-earlier period.

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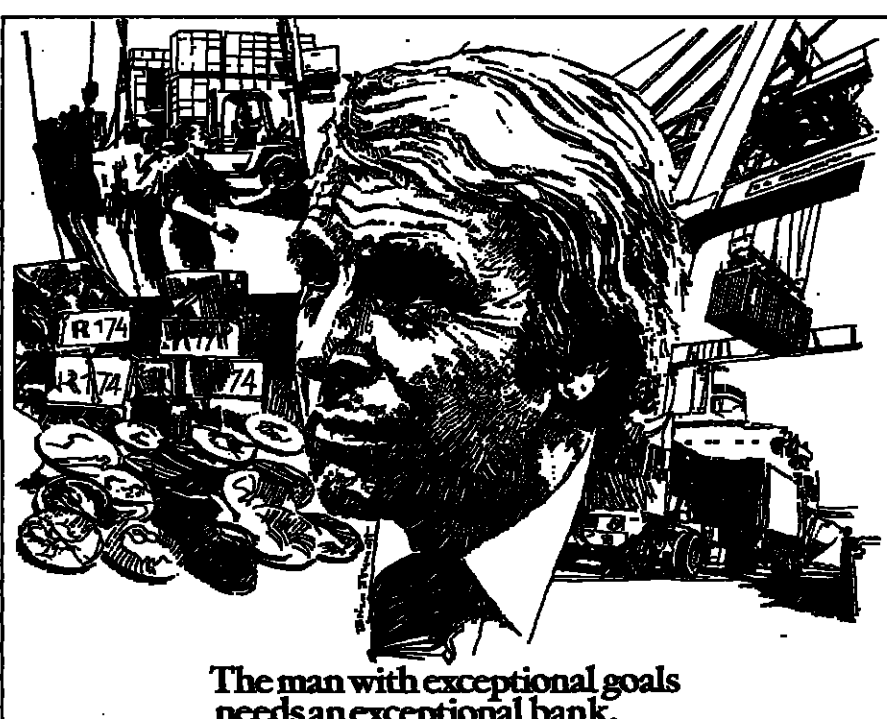
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The man with exceptional goals needs an exceptional bank.

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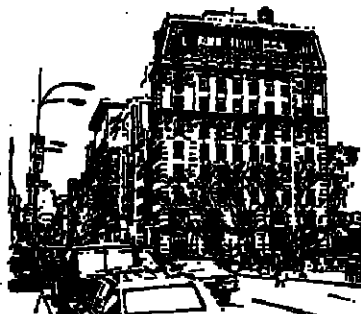
Serving our clients well has helped us grow uncommonly fast. Today, we're big enough to provide most of the sophisticated facilities of the international banking giants—but lean enough not to keep you waiting for decisions.

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Tables include the nationwide prices up to the closing on Wall Street.

[illegible]

How Churning Markets Keep Yielding Fresh Growth Opportunities

AI Precision forecasting methods of the Gales Research organization have been working major projects in recent years going back to the latest computer scans and DATA GENERAL would claim \$50 to \$99, or the customary 50 to 100 percent. From 1981 to 1985, it would erupt from the mid \$30s to low \$40s. The targets have been reached in more recommendations which have climbed to 1900 per cent (COMPUTERVISORIS). The 1986 forecast for the 1987-1988 weekly reports you'll find new ones, on top big guns of the growth sector, TRW and XEROX—all logged to the short sellers who have been getting hit. Other forthcoming sectors (according to GGR reports) will include sundries and under-estimated metals including GILVER with new projections being 1986-1987. The 1988 forecast will include CAMPLIO in Toronto and the leading South African production and North American exploration.

For complementary coverage starting with report back with projections covering the most precautionary factors, you turn the coupon.



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SEPT. 4, 1980

COMPANY	INDUS.	1979-80 HIGH-LOW	CLOS. PRICE Sept. 4	HIGH-LOW MON.-WED.	FIVE	Y YIELD (%)	EARN. PER SH.— 77, '78, '79	SHRS. OUTST. (000)	LATEST COMPANY NEWS
AIR LIQUIDE.....	Gas	545 - 411.50	465	463.50 - 540	14	3.7	31.2% - 32.2% - 34.0%	12,582	1st semester estimated turnover 1980 1,549 MF vs. 1979 1,403 MF.
BOUYGUES.....	Construct.	985 - 412	706	705 - 698	10	4.5	33.4% - 53.3% - 70.0%	1,500	Capital increased by free issue of one share for five as of Feb. 18.
CREDIT COM. DE FRANCE.....	Bank	192.50 - 175.80	192.50	191.50 - 188.50	10	7.3	15.0% - 17.5% - 19.2%	6,197	1st semester '80 consolidated net profit 71.7 MF plus 41.5% same period '79
CREUSOT-LOIRE.....	Heavy Ind.	87.50 - 52	78.80	77.90 - 76	—	—	— - - - -	3,794	Parent company 1st semester '80 pre-tax turnover 3,523 MF (+ 19.2%)
ELF - AQUITAINE.....	Petrol	1580 - 445	1142	1148 - 1121	4	4.5	97.0% - 83.0% - 307.0%	18,123	Annual general meetings: Elf-Aquitaine, 12-6-80; Elf-Gascon, 14-6-80.
ELF-FRANCE.....	Holding	360 - 303	368	365 - 364	4	—	69.5% - 81.6% - 99.5%	2,197	Net profit for year ending September 30, '79 = 50.56 MF.
IMETAL.....	Mining	119 - 52	97.70	97.50 - 92	19	6.6	4.73 - 4.55 - 5.07	7,944	Capital each in Cie des Minerais d'Urmont plus held 72.0% Petroloya 27.4%.
L'OREAL.....	Cosmetics	729 - 600	732	725 - 713	10	2.6	19.11% - 14.80% - 74.9%	3,940	1st semester consolidated turnover 1980 4,337 MF vs. 1979 3,311 MF.
MATRA.....	Electronic	9570 - 4899	9200	9190 - 9160	14	1.3	337.70 - 580 - 669.70	269	Acquisition approved of 499 619 Sales shares. Matra now held 74.73% of Sales.
MOET-HENNESSY.....	Beverag.	600 - 432.50	549	555 - 550	11	3.6	26.8% - 33.0% - 51.2%	3,159	Groups 1st semester '80 consolidated turnover 1,280 MF (+ 22.6%).
PSA PEUGEOT-CITROEN.....	Holding	451 - 207	216	224.50 - 217	3	7.2	134.4% - 112.8% - 84.81%	12,494	The net dividend has increased by 14.9% against the previous exercise.
RAFFINAGE (Cie. Fr.).....	Petrol	229 - 70.20	151.50	154 - 150	5	11.9	— - - - - 31.85	5,885	Consolidated net turnover 1979 203.8 MF against 256 MF in 1978.
REDOUTE.....	Mail order	567 - 414	445	432 - 428	9	5.2	44.2% - 41.7% - 49.7%	92,700	Group turnover 1st 5 months, 1,881.8 MF (+ 15.7%) vs. same period.
RHONE-POULENC.....	Chemicals	153.40 - 96	120.10	122.80 - 121.10	3	7.5	4.3% - 13.0% - 35.0%	22,700	1979 dividend on a sh. of common stock was set at 9 F., up from 7 F. in 1978.
ROBECO.....	Invest. Corp.	390 - 269.70	388.90	390 - 380.90	—	—	(not relevant)	24,795	Rollies shares price rollies. March/May price F 151.50.
THOMSON-BRANDT.....	Electron. Beadon.	273 - 185	247	244.70 - 242	14	7.0	27.19 - 27.71% - 21.44	4,160	Group turnover before tax for 1st quarter 1980 up 16.5% on 1st quarter 1979.

TO INCLUDE YOUR COMPANY IN THIS LISTING - CONTACT BILL CAMPBELL WARD, L.T. PARIS 267.1265

(Continued on Page 10)

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Big Gun Mexico Labor

Seizes Major Firms

By Charles Bremner

MEXICO, Sept. 4 (AP) — As recession bites into corporate profits and layoffs and closures flow from the industrialized world, a little-known sector of the Mexican economy is enjoying a boom, mainly U.S. business.

Prosperous venture comes scheme which enables managers to import raw materials, unfinished products duty-free, then export the finished goods to the United States paying duty only on the value added in Mexico.

Local wages here running at \$1 an hour compared to \$10 an hour in the United States, manufacturers utilizing the scheme, which is bitterly opposed by unions and some Mexican firms, can give huge savings on costs.

Industry, born in 1965 to allow manufacturers to tap the Mexican labor market, is increasingly attractive to U.S. firms struggling to compete with low-cost Asian and Latin American imports.

By far this year, more than 60 firms, all but a handful of U.S.-owned, have set up assembly operations in Mexican cities, most of them in the 2,000-mile (3,200-kilometer) border zone.

Border Zone

Total of 620 such plants are operating, employing some 10 people turning out electronic components, textiles, transistors and other labor-intensive products. All but 50 of them are in the border zone.

The scheme, which has brought prosperity to northern cities like Mexicali, an alfalfa border, is expected to generate about \$1.5 billion for the Mexican economy this year, say promoters, like the aggressive Mexican Industrial Development Commission, have lured Japanese firms to the area, and East European factories are hoped to follow.

Advantage for non-American companies lies in the location of the world's big export market. For example, cities of Tijuana and Mexicali on the frontier of California, most populous and prosperous state. Other border centers, the scheme, like Ciudad Juarez and Nuevo Laredo, provide easy access to Texas and the eastern states.

Line Villalpando, deputy chief of the Mexican commission, says a Spanish electronics manufacturer could cut costs drastically by using components through the U.S. port of Tampico to assemble plant, then importing components across the border.

he scheme, which is exempt from most of Mexico's highly restrictive foreign investment laws, attracted some of the big U.S. electronics and space.

Micheli, capital of the Mexican state of Baja California, has 70 plants operated by American firms, including Hughes Aircraft, Rockwell International and others producing parts for the Boeing Douglas DC-10 aircraft. Mexico's biggest single employer, 3,000 people assemble trucks for the U.S. Kenworth plant.

city's promoters of the scheme tell prospective clients that should consider moving to Mexico if their U.S. labor costs are 50 percent or more of total costs.

they also encourage what they call the "twin-plant" concept by a company establishes its intensive operation in Mexico, Mexicali's twin city on the other side of the California border, and its labor-intensive operation on the Mexican side. Mexicali and Calexico are 200 miles (320 km) southeast of Los Angeles. The industry has become Mexico's third biggest currency earner.



Severe Slump Hits Western Chemical Firms

By Peter Calvert

LONDON, Sept. 4 (Reuters) — With ominous swiftness, gloom about the present and concern for the future have gripped the boardrooms of the West's powerful chemical companies.

The worldwide slump in economic growth has struck the chemical industry with full force, particularly in Western Europe, bringing an unprecedented slump in profits to some companies.

At the same time, the threat of major competition from the Middle East has raised doubts over the future growth of the big chemical corporations.

Recession always falls heavily on the chemical industry, which is an important pillar of the economies of several Western nations, growth slumps, such as construction.

In the latest recession, automakers and textiles, both large users of chemicals, have suffered particularly heavily. And the 150-percent

rise in oil prices since the beginning of 1979 has forced up the cost of petrochemicals, worsening the drop in demand.

Competition From U.S.

An added concern for West European companies has been imports of lower-priced U.S. chemicals made from cheap oil and gas in the United States. Controls maintaining low U.S. prices are due to last on oil until next year and on gas until 1985.

While cheap oil and gas feedstocks have helped U.S. companies weather the recession, they have only worsened the plight of European producers.

But while recession has provided the short-term worry, the planning of huge petrochemical complexes in the Middle East has created a long-term fear.

The plants provide an obvious way for wealthy oil countries to begin to industrialize. For raw materials, the plants will have immediate access to immense quantities of very cheap gas, much of it now being flared away in the Middle Eastern fields.

Saudi Arabia has agreed with Shell to build a \$3 billion plant at Jubail on the kingdom's east coast. It will construct another two plants with Mobil and Exxon, while Qatar is also building two petrochemical complexes.

Middle East Impact

By 1985 the Shell plant at Jubail alone is due to produce 650,000 tons a year of ethylene, which the chemical industry uses to make a wide range of products. This quantity is more than 5 percent of Western Europe's current total annual demand for ethylene.

Western companies disagree on the consequences the Middle East plants may bring, but all acknowledge they are bound to have an impact on the industry.

"Those huge quantities have got to be sold somewhere," said a spokesman for Britain's Imperial Chemical Industries, the world's fifth-largest chemical organization. Some industry executives believe the difficulties and costs of developing the plants are likely to delay full output and push up the costs of Middle Eastern chemicals to equal or above European and U.S. levels.

But others say the Western companies will eventually have to con-

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated

United States			
Southern Company			
7 Months	1979	1978	
Revenue	1,970	1,740	
Profits	156.20	90.10	
Per share	1.04	0.63	

Britain			
British Petroleum			
1st Half	1979	1978	
Revenue	12,750	10,530	
Profits	876.0	622.0	

Netherlands			
Huntar Douglas			
1st Half	1979	1978	
Revenue	377.9	315.7	
Profits	0.684	8.225	

U.S. Supercomputer Firm Well In Control

NEW YORK, Sept. 4 (AP-DJ)

— A funny thing happened while Ulric Weil, Morgan Stanley's computer analyst, was visiting companies in Minneapolis last week: Traders got the idea that he was going to come back and raise his earnings estimate on one of the companies, Control Data.

That was enough to send Control Data stock to a new high of 76½ yesterday, five points above the preceding Friday's close. But by week's end, when word got around that Mr. Weil was not changing his estimates, the stock had dropped back to 71, a loss of ½ for the week.

Traders may have guessed wrong about Control Data but Mr. Weil did return from Minneapolis with something different — a new buy recommendation on over-the-counter Cray Research. After Morgan Stanley clients got the word, Cray's stock climbed 8 points to 78½ bid.

Cray shipped its first computer in 1976. It was started by Seymour Cray, currently chairman, who left Control Data to build and market supercomputers for the scientific market.

"Cray has a quasi-proprietary position," in the highly specialized,

noncommercial market for computers used in scientific research. Mr. Weil said, "Control Data, once a leader in this market, is now a distant second."

Market Ready

Cray-type computers are designed to perform "very complex numerical analysis" in biomedical research, aerodynamic design, weather forecasting and energy exploration, functions that differ greatly from the kind of data processing performed by general purpose computers, Mr. Weil said. "I believe the market for these supercomputers is about to burst forth."

Along with his recommendation, Mr. Weil provided these earnings estimates for Cray: \$2.40 this year vs. \$1.89 last year; \$3.40 in 1981, and \$4.90 in 1982. Most other 1980 per-share estimates are \$2.50 to \$3.

John Carlson, vice president for finance at Cray, declined comment on the estimates but said, "We think the outlook is very good. Our plan in 1980 is to deliver nine to 10 systems and, in 1981, to deliver 12 to 14. We're right on our 1980 plan, both in terms of deliveries

and our lease-purchase mix. The key variable is the number of systems purchased versus those leased."

Because profits are immediately realized on purchases, analysts' assumptions on the lease-purchase ratio can have a major effect on their estimates and variations in those assumptions account for the broad range of current estimates.

The Morgan Stanley analyst, meanwhile, says he is still positive on Control Data, though his estimates remain \$8.25 this year and \$9.50 next year.

"I've considered it an under-valued stock. The price has moved up so it isn't as significantly under-valued as it was a couple of months ago," he said. The stock has been moving up again this week, closing yesterday at 75.

China Lowers Oil Price

TOKYO, Sept. 4 (AP) — China

has notified crude-oil purchasers in Japan that as of Monday it lowered the export price of its oil by \$1.50 to \$33.12 per barrel, a spokesman for International Oil Trading said today. The spokesman said the price cut apparently reflected an easing of demand in the international oil market.

European Gold Markets

September 4, 1980

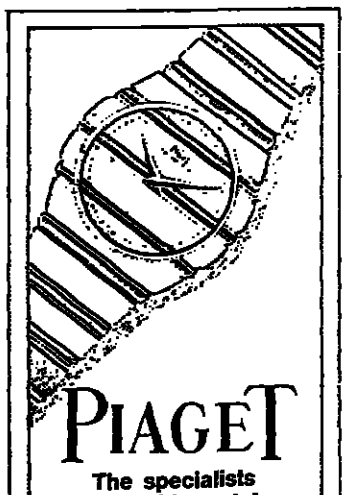
	A.M.	P.M.	N.C.
London	627.25	647.25	+18.50
Zurich	627.25	647.25	+18.50
Paris (12.5 k)	647.25	657.25	+20.00
Official morning and afternoon prices for London and Paris, settling and closing prices for Zurich.			
U.S. dollars per ounce.			

Gold Options (prices in \$/oz.)

Strike	28 Nov. 80	28 Feb. 81	Options
620	30.00-34.00	41.00-45.00	for May 1981 start on 3 Nov. 80
670	20.00-24.00	31.00-35.00	
690	13.00-17.00	24.00-28.00	
710	9.00-13.00	20.00-24.00	
730	4.00-8.00	16.00-20.00	

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HERACLES GENERAL CEMENT CO. STEADY GROWTH ACCELERATES

The steady growth trend of Heracles General Cement Company, of Greece, was significantly accelerated during the year 1979, which was the best yet for this company.

— Sales turnover of the Group rose by 28.5% from 1978;

— Net profit of the Heracles General Cement Co. rose 57.6% and reached US\$ 18.3 million;

— Total profits of the subsidiary companies rose by 62.3%;

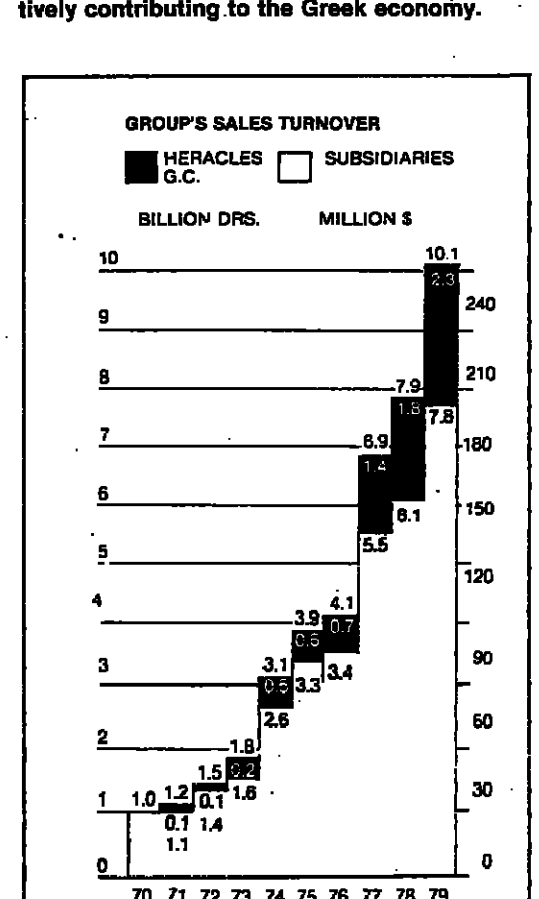
— Exports hit a new height of US\$ 108 million and the company increased its involvement in the international trade for cement and in bulk shipping;

A general price increase for cement in Greece and abroad, a 7% increase in production, coupled with managerial efforts, which led to a reduction of costs and improvement of productivity, all helped in the improvement of the financial results.

In 1980 the biggest investment program in the history of the Company will be initiated. During this year orders will be placed for the equipment of a new 1.5 million ton per year cement factory at Milaki on the island of Euboea. This investment will surpass US\$ 150 million. The company is also heavily investing in converting its kilns to coal and building the necessary port and handling facilities. Diversification of the group in other industrial activities is also continuing at an increased rate.

In the export trade Heracles is one of the world's leading cement exporters and is dynamically expanding the network of international bulk cement terminals and related shipping activities. Exports of cement approached 2 million tons in 1979.

As Greece is preparing for entry in the EEC, the Heracles group represents one of the most dynamic and viable industries which is positively contributing to the Greek economy.



This announcement appears as a matter of record only.

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September 1980

Tables include the nationwide prices up to the closing on Wall Street

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Closing Prices, Sept. 3, 1980

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September 4, 1968

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Closing prices, September 4, 1980

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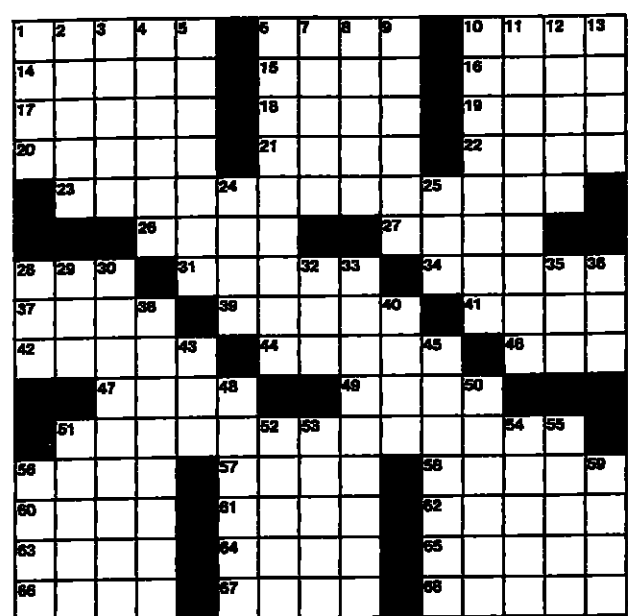
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Age Group	Percentage of Respondents
18-29	85%
30-49	80%
50-69	75%
70+	70%

**PAGE 14 & 13
FOR MORE
CLASSIFIEDS**

CROSSWORD — By Eugene T. Malesha



ACROSS

- 1 Feet for W. S. Gilbert
6 "That's one small..." for a man...
10 Word in a Hope-Crosby film title
14 Unexpected delight
15 Contemporary of Haydn
16 Indian of a New York region
17 Obliterate
18 —qua non
19 Pinnacle
20 Hawthorne slept here
21 First king of El Centro's gift to entertainment
23 Penultimate G. & S. opera
26 Gurth, in "Ivanhoe"
27 Valies
28 Venus or Mars
31 Memorable singer: 1936-73
34 Come in
37 "Twas ever

DOWN

- 42 Became strengthened, with "up"
44 Decorative stroke on a letter
46 Part of "to be"
47 Former N.Y.C. newspaper
49 Applaud
51 Antepenultimate G. & S. opera
56 Metallic element
57 Stand on line
58 Bonnie or John of singing fame
60 One of the Roosevelt
61 Puccini heroine
62 With 43 Down, undignified
63 Object to
64 With, in Tours
65 Famous Swiss mathematician
66 Koko's weapon
67 Suffix with sweet or low
68 Paellas, e.g.

DOWN

- 1 Piece of news
2 Cullean pianist
3 Had in mind
4 Hines and Moll

Solution to Previous Puzzle

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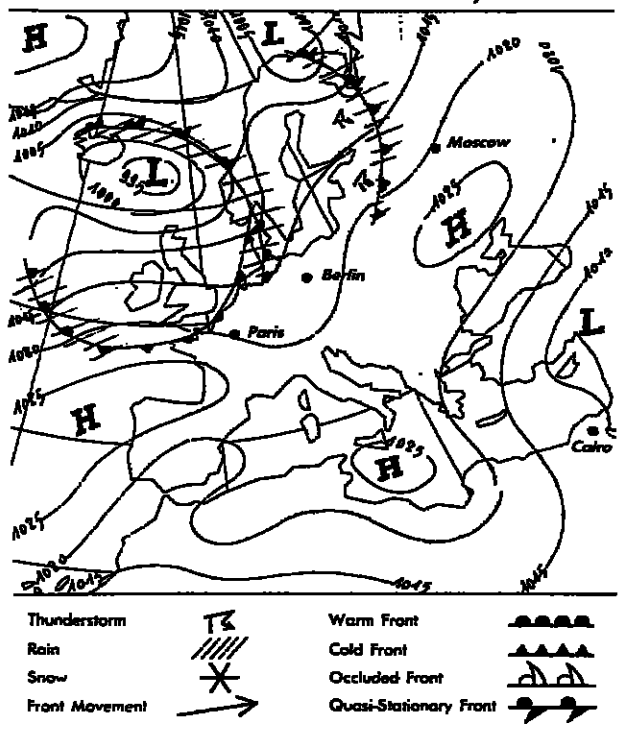
WEATHER

C F			C F				
ALGARVE	21	70	Foggy	MADRID	29	84	Fair
AMSTERDAM	18	64	Foggy	MILAN	24	75	Cloudy
ANKARA	18	64	Cloudy	MONTREAL	19	66	Overcast
ATHENS	24	75	Cloudy	MOSCOW	14	57	Overcast
BEIRUT	27	81	Overcast	MUNICH	25	77	Fair
BELOHRADE	21	70	Fair	NEW YORK	24	75	Fair
BERLIN	23	73	Fair	NICE	24	75	Fair
BRUSSELS	19	66	Fair	OSLO	28	88	Fair
BUCAREST	20	68	Cloudy	PARIS	23	73	Overcast
BUDAPEST	21	70	Fair	PRAGUE	25	77	Fair
CABANILLA	25	77	Cloudy	ROME	27	79	Fair
CAIRO	28	82	Foggy	SOFIA	16	61	Foggy
COSTA DEL SOL	27	81	Fair	STOCKHOLM	19	66	Foggy
DUBLIN	19	66	Overcast	TEHRAN	24	75	Fair
EDINBURGH	16	61	Overcast	TOKYO	26	79	Cloudy
FLORENCE	26	79	Fair	TORONTO	21	70	Fair
FRANKFURT	22	72	Fair	VIENNA	21	70	Fair
GENEVA	22	72	Fair	WARSAW	20	68	Cloudy
HELSINKI	11	52	Rain	WASHINGTON	23	73	Fair
HOUSTON	23	73	Fair				
ISTANBUL	21	70	Cloudy				
JAKARTA	28	82	Fair				
LAS PALMAS	24	75	Fair				
LEON	19	66	Foggy				
LONDON	17	63	Cloudy				
LOS ANGELES	22	72	Cloudy				

(Yesterdays readings US and Canada at 10 GMT, Houston and Los Angeles at 200 GMT.)

(Yesterday's readings U.S. and Canada at 1700 GMT, Houston and Los Angeles at 2000 GMT; all others at 1200 GMT.)

Situation Forecast for Noon G.M.T. Friday



Study Says Pain in Dentist's Chair Is All in the Mind of the Patients

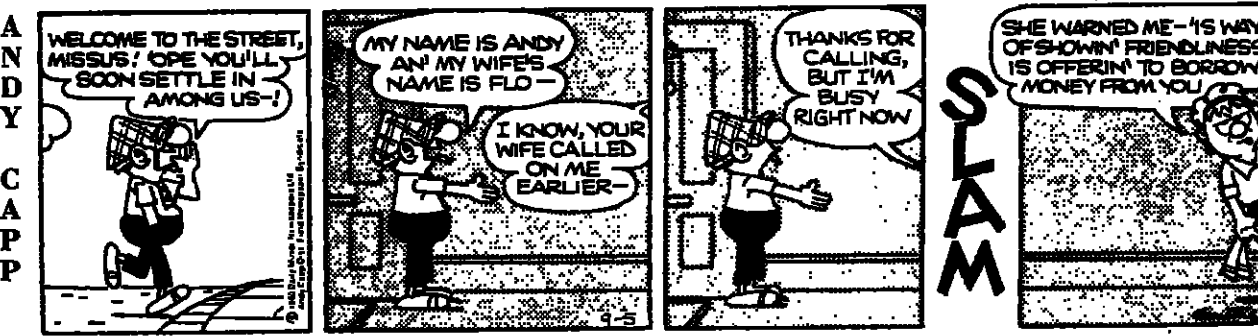
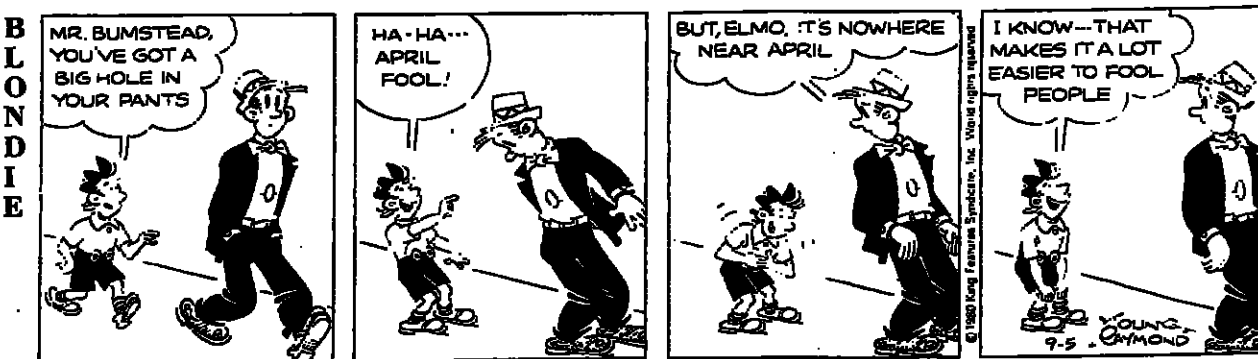
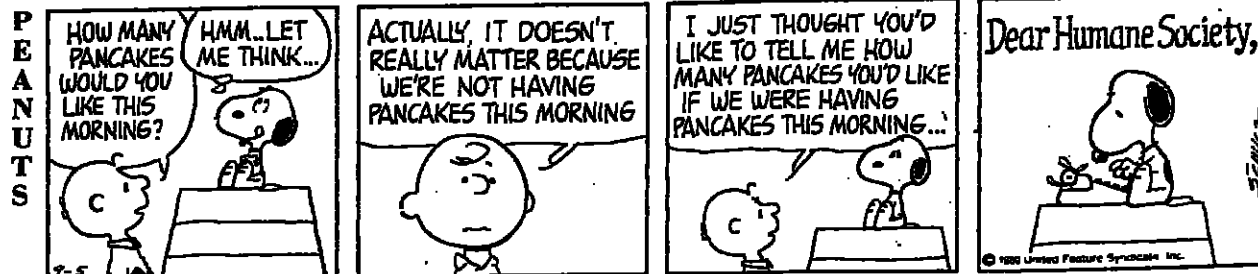
LONDON, Sept. 4 (UPI) — The dentist drill doesn't always hurt — but the patient thinks it does. So it does.

That is what three researchers told the British Association for the Advancement of Science today with a paper headed: "Will it hurt? Pain and fear in the dentist's chair."

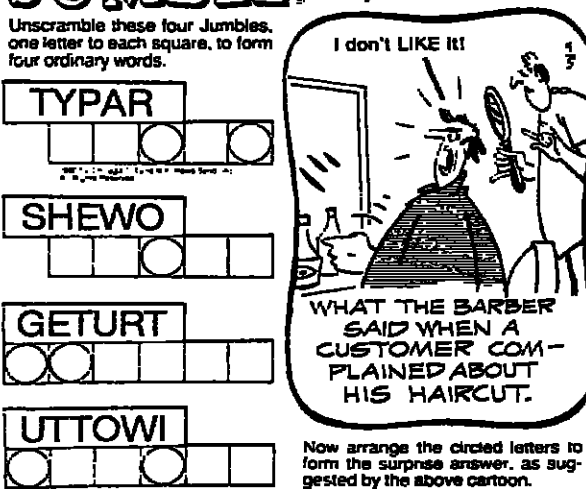
Dr. W.G. Cumberbatch and colleagues said that they started their research in the knowledge that dental health in Britain is "appalling."

The Cumberbatch paper said that there is a lot the dentist can do short of anesthetics to prevent pain or the perception of pain. It recommended pleasant, calm surroundings, an unhurried approach to give the patient time to reduce his apprehension and explaining everything he does to the patient.

When this program was in effect, Dr. Cumberbatch said, he offered his patients a switch they could use to cut off the drill if they thought they were going to be hurt. None of the 50 nervous patients offered this facility ever used the switch.



JUMBLE THAT SCRAMBLED WORD GAME

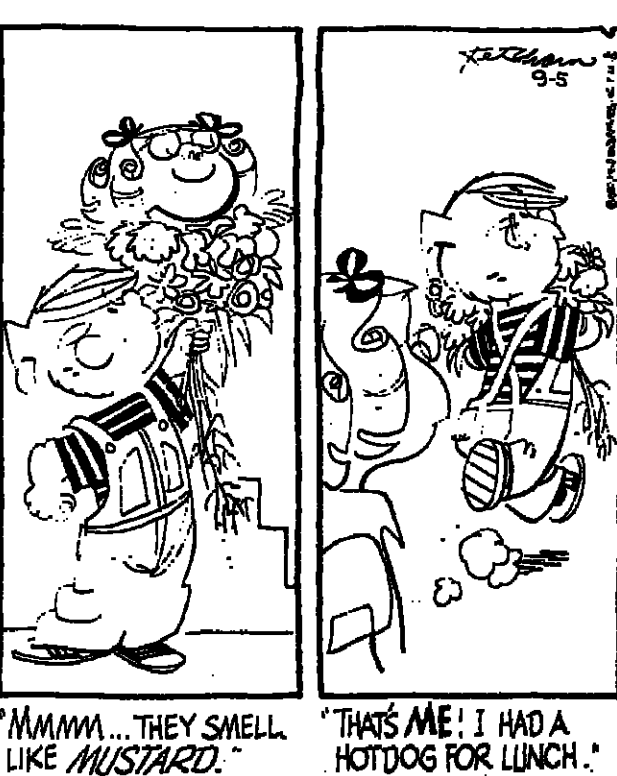


Answer here: IT'LL ON (Answers tomorrow)

Yesterday's Jumbles: WHILE VAGUE PELVIS HORROR

Answer: Why the luggage from justice jumped on a scale — TO GET "A WEIGH"

DENNIS THE MENACE



BOOKS

THE HOUSE ON PRAGUE STREET
By Hana Demetz. St. Martin's. 186 pp. \$8.95.
Reviewed by Helen Epstein

It is a paradox that while the Holocaust has become an important resource for publishers and academics, a symbol for virtually every persecuted group in this century, few writers have been able to surmount the tremendous emotional, intellectual and technical problems it poses.

Some have failed because in trying to remain "disinterested" they have cut themselves off from their material, some because they have been unable to distance themselves enough and have fallen into rhetoric and sentimentality. Writers who did not themselves live through the war often produce books which are impeccably researched and well written but unconvincing; Holocaust survivors who are not themselves writers often lack the skill necessary to communicate their experience. Historians, philosophers, theologians, political scientists, psychologists and literary critics continue to apply their training to the events of World War II, but few reach beyond the constituents of their discipline to a general audience.

Difficult Choices

It is in this context that "The House on Prague Street" sparkles like a tiny gem. This slim book by a professor of Czech language at Yale is part autobiographical novel, part chronicle of the last years of a society which no longer exists. It offers up no theories, no clear-cut villains or heroes, but a group of ordinary people — Germans, Jews, Czechs, Slovaks — who are forced during the years 1933-1945 to make one difficult choice after another. Some of the choices appear trivial (shall a few affix his or her yellow star with a safety pin or sew it on with light stitches?), some crucial (shall an Aryan protect his or her job and divorce a Jewish spouse, or lose the job and try to protect the spouse?), but all provoke a strong response in the reader. This book is so artfully constructed that without a single explicit reference to mass murder and only a few allusions to public figures or events, the reader is made to feel and understand the comprehensive and corrosive power of Nazi Germany.

Author Hana Demetz views the war through a triple lens. Born in 1928 to a German father and a Jewish-Czech mother living in Czechoslovakia, she belongs to that small group of survivors who were "half-castes of the first degree" under German law, who were children when the war began and teen-agers when it ended. "The House on Prague Street" describes the same years as Elie Wiesel's "Night," Jerzy Kosinski's "The Painted Bird" and Ilse Aichinger's "Herod's Children," which are set respectively in Hungary, Poland and Austria. But Demetz's book, which was first published in Germany in 1970 (much later than the others), is written with an understanding made possible only by the passage of time. It reads like a folktale: straightforward, clean, musical. Every detail is there for a reason, and it is the accumulation of these details and their resonance in an inexorably destructive setting that makes the writing so alive.

"I still have dreams about the old house," Demetz begins. "I can see everything quite clearly: the three steps leading to the glass veranda, the yellow front door with its brass trim, the hallway where every step resounded even if I walked on tiptoe... My mother and her two sisters grew up in the old house. My mother was the eldest. Zdena, the middle sister, had been a twin, but her little brother was born dead. It took my grandfather a long time before he forgave my grandmother this dead son."

Demetz moves quickly into the life of a small Bohemian town where several generations, classes and religious groups constitute an orderly whole. Her grandfather runs a prosperous transport business, tends a strawberry patch and rules his family with an iron hand. Her grandmother, whom he married "for her gentle, quiet ways, since he had no need to marry for money," supervises the chauffeur, cook, drivers and maids. Her

mother has married a law German student who uses a Czech barely sufficed pronounce her name, "a ther, a tall, blond, for lieutenant has an exche dream of a private law p a civil service post in and port his family. Each Grandfather Loewy's bie entire family arrives a Street: two uncles from their wives, chauffeurs, Pekingese; three aum sig, who behave like you pousous uncle from P the morning, the town mital director and chon leader pay their respect; dinner is served. "The was banned from the dic on grandfather's orders: with liver dumping was said the Prague banke in year, and the goose true symphony."

On the first such birt we witness, "the gentle to the living room for a my father was questio sively about the frighte that were taking place i ny. Everyone nodded g worriedly. They did not r grandfather passed aron gar box saying, "Sue be be utterly impossible in try." Then they settled i their blue clouds of smok.

We return each July Street as Helene Richter spend summer vacations grandparents, and it is th eyes that we see Nazim foundations.

But this is only half i While we watch the disa of the Loewy family, a affix his or her yellow star with a safety pin or sew it on with light stitches?), some crucial (shall an Aryan protect his or her job and divorce a Jewish spouse, or lose the job and try to protect the spouse?), but all provoke a strong response in the reader. This book is so artfully constructed that without a single explicit reference to mass murder and only a few allusions to public figures or events, the reader is made to feel and understand the comprehensive and corrosive power of Nazi Germany.

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Helen Epstein, author of "The Holocaust: A Story of Survival," is an associate professor of journalism at New York University. She writes for The Washington Post.

BRIDGE

By Alan T.

PLAYERS with much optimism but little experience are apt to say to themselves before sitting down against an expert: "I don't know what I'm doing, so he won't know and he'll be confused."

By and large such expectations prove to be quite unfounded, but nevertheless there are a few rare situations in which ignorance can be bliss and remain so.

The diagrammed deal was played in a duplicate game. The novice player, in the South position, was quite oblivious to the situation. He had forgotten all about the three-club overcall, and he had not noticed that East's queen had fallen on the second trick. He ruffed low in dummy, and was deeply hurt when East overruffed. However, that was the end for the defense. With the spade queen falling conveniently, it was an easy matter for South to draw trumps after regaining the lead.

When the game was over, East and West — who had done nothing wrong — found with dismay that they had a virtual zero and that the novice declarer had acquired almost all the available points. At most other tables the South players had failed in four spades when the play began similarly. They had averted the overruff by ruffing high with the

spade king, but they had fished by leading a trump jack. This lost to the sit queen, and East had ev scored his nine to defeat the The other declarer thus is ed Pope's line: "A little lea dangerous thing." If they had deep of the Pierian spring; poet advised, they would be the need for a safety play. B ing to the spade ace at the trick, they would have tanced against the possibility of a queen. This would have giv overtrick if East began with bletion queen, but the over gested that the spade length be on the right.

NORTH
AK4
AQJ104
AQJ10
883

WEST
Q
778
9853
AKJ865

EAST
9853
AKJ10
883
QJ
AKJ873
78
74
1072

Neither side was vulnerable.

ding:
South West North
24 34 44
Pass Pass Pass

West led the club king.

